

CDBG Small Cities Handbook



Department of Economic and Community Development

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Connecticut Department of Economic and Community Development

Small Cities CDBG Program Application Handbook

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Checklist for Exhibits

Department of Economic and Community Development Programs are administered in a nondiscriminatory manner, consistent with equal employment opportunities, affirmative action, and fair housing requirements.

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PROGRAM OVERVIEW

1. INTRODUCTION

The purpose of this handbook is to provide assistance to eligible municipalities in the preparation of applications to the Connecticut Department of Economic and Community Development (DECD) for funds under the Small Cities Community Development Block Grant Program (CDBG).

The handbook contains information that is critical both for compiling a complete, relevant, and competitive application. It is therefore important for prospective applicants to read it carefully and to become familiar with Small Cities Program guidelines and requirements.

Technical Assistance will be provided by the State Department of Economic and Community Development in answering questions regarding program design, application requirements, and eligible activities.

The Small Cities Program application process requires the submission of information necessary to document the proposal's compliance with national objectives, eligibility of the activity, and compliance with other federal requirements.

2. DEFINITIONS

COMMISSIONER - The Commissioner of the Connecticut Department of Economic and Community Development.

APPLICANT - Any municipality or borough with a Population less than 50,000 which is not the "Central City of a Metropolitan Statistical Area (MSA)." See Eligible Applicant section for further details concerning eligible applicants.

APPLICATION - A proposal for funding to DECD under the Small Cities Program. Applications may be for regular program grants, discretionary urgent need grants, Planning Only grants, Economic development grants, or ready resource grants.

SINGLE PURPOSE PROJECT - A project funded under the Small Cities Program which addresses only one of the following areas: housing, economic development, community facilities, or public service.

VERY LOW-INCOME FAMILY OR PERSON - A family or persons whose income does not exceed 30% of the median income for the Primary Metropolitan Statistical Area (PMSA).

LOW-INCOME FAMILY OR PERSON - A family or persons whose income does not exceed 50% of the median income for the Primary Metropolitan Statistical Area (PMSA).

MODERATE-INCOME FAMILY OR PERSON - A family or person whose income does not exceed 80% of the median income for the Primary Metropolitan Statistical Area (PMSA).

b) INCOME -

The Final Rule published in the Federal Register on November 5, 1995 created the following definition of "income" at 24 CFR 570.3 for the Small Cities Program.

For the purpose of determining whether a family or household is low- and –moderate income under subpart C of this part, grantees may select any of the three definitions listed below for each activity, except that integrally related activities of the same type and qualifying under the same paragraph of 570.208(a) shall use the same definition of income. The option to choose a definition of income does not apply to activities that qualify under 570.208(a)(1) (Area benefit activities), except when the recipient carries out a survey under 570.208(a)(1)(vi). Activities qualifying under 570.208(a)(1) generally must use the area income data supplied to recipients by HUD. **The three definitions are as follows:**

1. **"Annual income"** as defined at 24 CFR 5.609 (except that if the CDBG assistance being provided is homeowner rehabilitation under 24 CFR 570.202, the value of the homeowner's primary residence may be excluded from any calculation of Net Family Assets); or
2. Annual income as reported under the Census long-form for the most recent available decennial Census. This definition includes:
 - (A) Wages, salaries, tips, commissions, etc.;
 - (B) Self-employment income from own non-farm business, including proprietorships and partnerships;
 - (C) Farm self-employment income;
 - (D) Interest, dividends, net rental income, or income from estates or trusts;
 - (E) Social Security or railroad retirement;
 - (F) Supplemental Security Income, Aid to Families with Dependent Children, or other public assistance or public welfare programs;

- (G) Retirement, survivor, or disability pensions; and
- (H) Any sources or income received regularly, including Veterans' (VA) payments, unemployment compensation, and alimony; or

3. Adjusted gross income as defined for the purposes of reporting under Internal Revenue Service (IRS) Form 1040 for individual Federal annual income tax purposes.

Estimate the annual income of a family or household by projecting the prevailing rate of income of each person at the time assistance is provided for the individual, family, or household (as applicable). Estimated annual income shall include income from all family or household members, as applicable. Income or asset enhancement derived from the CDBG-assisted activity shall not be considered in calculating estimated annual income.

Grantees must immediately stop deducting the amounts listed at 24 CFR 5.611 (\$480 for each dependent, etc.) regardless of which of the three definitions of income they use for their CDBG-funded activities. The "Section 8 definition" of "annual income" at 24 CFR 5.609 does not include any of these deductions and none of these deductions may be used to determine whether a family or household is "low- and moderate-income" under the Small Cities Program.

AFFORDABLE RENTS - Existing Section 8 Fair Market Rents. (See Appendix C)

HOMELESS - Any person who does not have a place to stay for the night nor the income or resources to secure shelter.

PROGRAM - The Connecticut Small Cities Program.

PROJECT - An activity undertaken by a grantee with funding from the Small Cities Program.

RACIAL AND ETHNIC CATEGORIES - The following are officially recognized Racial and ethnic categories:

Black: A person with origins in any black racial group; not of Hispanic origin.

Hispanic: A person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.

Portuguese: A person having origins in the Iberian Peninsula, including Portugal, regardless of race.

American Indian or Alaska Native: A person with origins in or who maintains cultural identification with any of the original peoples of North America.

Asian or Pacific Islander: A person with origins in any of the original peoples of the Far East, Southeast Asia, the Indian Sub-continent or the Pacific Islands.

White: person having origin in any of the original people of Europe, North Africa or the Middle East.

The category that most clearly reflects the individual's recognition in his community should be used for purposes of reporting on persons who are of mixed and/or ethnic origins.

MINORITY/WOMAN BUSINESS ENTERPRISE and SMALL BUSINESS See the Additional Program Guidelines Section for definitions of Minority and Woman Business Enterprises and Small Businesses.

SLUM OR BLIGHT - Any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitary conditions, or any combination of these factors, are detrimental to safety, health and morals (definition taken from state statutes governing municipal housing projects).

SECTION 3 BUSINESS - A business concern that;

- is 51% or more owned by Section 3 residents; or
- whose permanent, full-time employees include persons, at least 30% of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or
- provides evidence of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in part (1) and (2) of this definition.

SECTION 3 RESIDENT - A public housing resident; or an individual who resides in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended and who is a low income or very low income person.



3. ELIGIBLE APPLICANTS

The Small Cities Program will be open to general purpose units of government – cities, - towns, and boroughs – with populations under 50,000. However, any city which has been designated by the Office of Management and Budget as a Central City of a Metropolitan Statistical Area (MSA) and is eligible for entitlement funds from HUD will not be allowed to submit an application, regardless of size. A listing of eligible applicants is included in this section.

Joint Applications

Joint or multi-jurisdictional applications are encouraged under the Connecticut Small Cities Program. Joint applications may be undertaken in those instances where solving a shared problem requires mutual action. It is generally assumed that the problem(s) addressed by joint applications lie in areas of contiguous or overlapping geographical jurisdictions or service areas. Where this is not the case, the applicants must clearly document in the application that mutual action is necessary to solve the problem. In addition, all municipalities participating in the joint application must be eligible Small Cities Communities.

Written cooperation agreements between participating communities must be submitted with all multi-jurisdictional applications. One unit must be designated in the agreement as the lead municipality for legal and administrative purposes (See the sample Cooperation Agreement in the Application Handbook). The lead community will act as the grantee and will be responsible for all aspects of program management.

Eligible Sub-Recipients

Though only eligible applicants may directly apply to DECD for Small Cities funds, grantees may provide grants or loans to any sub-recipient that is a Community Based Development Organization(CBDO). CBDOs are allowed to carry out neighborhood revitalization, community economic development, or energy conservation activities. In some instances, CBDOs are allowed to carry out otherwise ineligible activities such as new housing construction.

In the past, organizations had to fit rather strict criteria to qualify as a subrecipient. Recent changes in federal law now allow any non-profit organization serving the development needs of the communities of non-entitlement areas to act as a CBDO subrecipient. If an applicant is proposing to fund an activity such as new housing construction through a CBDO, it must document that the sub-recipient is a legitimate organizations and was not created to circumvent program restrictions prohibiting certain activities.

***NOTE:** It should be noted that sub-recipients are not in any circumstances allowed to carry out an ineligible activity as described in the ineligible activity section.**

ELIGIBLE CONNECTICUT SMALL CITIES

Andover	Groton-City	Scotland
Ansonia	Groton Long Point	Seymour
Ashford	Guilford	Sharon
Avon	Haddam	Shelton
Bantam (Litchfield)	Hampton	Sherman
Barkhamsted	Hartland	Simsbury
Beacon Falls	Harwinton	Somers
Berlin	Hebron	South Windsor
Bethany	Jewett City (Griswold)	Southbury
Bethel	Kent	Southington
Bethlehem	Killingly	Sprague
Bloomfield	Killingworth	Stafford
Bolton	Lebanon	Sterling
Bozrah	Ledyard	Stonington
Branford	Lisbon	Stonington (Borough)
Bridgewater	Litchfield (Borough)	Suffield
Brookfield	Lyme	Thomaston
Brooklyn	Madison	Thompson
Burlington	Mansfield	Tolland
Canaan	Marlborough	Torrington
Canterbury	Middlebury	Trumbull
Canton	Middlefield	Union
Chaplin	Monroe	Vernon
Cheshire	Montville	Voluntown
Chester	Morris	Wallingford
Clinton	Naugatuck	Warren
Colchester	New Canaan	Washington
Colebrook	New Fairfield	Waterford
Columbia	New Hartford	Watertown
Cornwall	New Milford	Westbrook
Coventry	Newington	Weston
Cromwell	Newton	Westport
Danielson (Killingly)	Newton (Borough)	Wethersfield
Darien	Norfolk	Willington
Deep River	North Branford	Wilton
Derby	North Canaan	Winchester
Durham	North Haven	Windham
East Granby	North Stonington	Windsor
East Haddam	Old Lyme	Windsor Locks
East Hampton	Old Saybrook	Wolcott
East Haven	Orange	Woodbridge
East Lyme	Oxford	Woodbury
East Windsor	Plainfield	Woodstock
Eastford	Plainville	
Easton	Plymouth	
Ellington	Pomfret	
Enfield	Portland	
Essex	Preston	
Farmington	Prospect	
Fenwick (Old Saybrook)	Putnam	
Franklin	Redding	
Glastonbury	Ridgefield	
Goshen	Rocky Hill	
Granby	Roxbury	
Griswold	Salem	
Groton	Salisbury	

4. ELIGIBLE AND INELIGIBLE ACTIVITIES

Communities funded under the Small Cities program can undertake a wide range of activities in the areas of housing, economic development, community facilities, and public services. This section contains a listing of the specific eligible activities as defined by HUD. This section also contains a review of expressly ineligible activities that Small Cities grantees are in no circumstances allowed to carry out. Applicants should also remember that in addition to being eligible as defined in this section, each activity must meet a National Objective as defined in the next chapter. (Sec. 570.200 of Code of Federal Regulations)



A. SUMMARY OF ELIGIBLE ACTIVITIES

The following is a listing of eligible activities under the Small Cities CDBG Program.

ELIGIBLE ACTIVITIES

1. Acquisition of real property for eligible housing, economic development or community services/facilities projects.
2. Clearance/Demolition
3. Disposition of real property acquired with CDBG funds, or its retention for public purposes including temporary management. (Proceeds subject to conditions).
4. Public Facilities and Improvements - Assistance for acquisition, construction, reconstruction, rehabilitation, or installation (but not routine repair or maintenance) of community facilities and/or infrastructure, including neighborhood or senior centers, centers for the handicapped, historic properties, utilities, streets, sidewalks, streetscape and lighting, parking, water and sewer, park, recreation, and for flood and drainage facilities (subject to certain conditions). This includes facilities designed to serve the needs of special populations such as homeless, and may include those owned by nonprofit recipients provided they meet certain conditions. Exceptions: Facilities used for political activities or for the general conduct of government, or activities that supplant the routine expenses of general local government are not eligible.
5. Public Services - May include labor, supplies and materials, provided it is either a new service or quantifiable increase in service.
6. Interim Assistance to carry out emergency repairs or alleviate emergency conditions (subject to conditions).
7. Sec. 108 Guarantee of Loans - Funds may be used to guarantee and make commitments to guarantee financing for: 1) acquisition of or rehab to real property owned by an eligible public entity; 2) housing rehabilitation; economic development or construction of housing by nonprofit organizations for homeownership. (See Title I of the HCD Act as amended through October 28, 1992)

8. Payment of Local or Non-Federal share for federal and for most state grant-in-aid programs, provided activities are CDBG-eligible.

9. Completion of Urban Renewal Projects

10. Relocation Assistance for permanently and temporarily relocated households, businesses, nonprofit organizations and farm operations (subject to conditions).

11. Loss of Rental income due to temporary holding of residential units for relocation related to CDBG program activities.

12. Removal of Architectural Barriers in publicly and privately owned buildings, facilities and improvements (may include buildings for conduct of local government).

13. Privately Owned Utilities - for acquisition, construction, reconstruction, rehabilitation or installation of distribution lines and facilities.

14. Construction of Housing - under Section 17 of the U.S. Housing Act of 1937 (Rental Rehabilitation) only.

15. Activities to Support the Development of Low and Moderate Income Housing, including acquisition, clearance, site assemblage, provision of site and public improvements (water, sewer, access roads, drainage, etc.) and other reconstruction costs.

16. Rehabilitation of Privately Owned Buildings and improvements for residential purposes, and related costs.

****Related housing rehabilitation costs include a wide range of activities, including historic preservation, lead paint abatement, septic system and well repair, energy audits, utility connections, flood insurance, rehab services, code inspections, loan re-financing, etc.****

17. Rehabilitation and Improvements to Publicly Owned Low Income Residential Units, and related costs, for non-urgent activities.

18. Rehabilitation of Manufactured Housing if part of a community's permanent housing stock, and related costs.

19. Rehabilitation of Publicly or Privately Owned Commercial or Industrial Buildings (subject to conditions). Privately owned structures are limited to exterior improvements and code enforcement. Any additional work must be done under economic development.

20. Code Enforcement - Involves the payment of salaries and overhead costs directly related to the enforcement of local codes. Code Enforcement needs to be targeted at a deteriorated or deteriorating area delineated by the community and meet the following requirements:

- (a) At least 51% of the residents of the area are L/M income persons; and
- (b) The code enforcement must be combined with other public improvements, rehabilitation, and services, which together should be expected to arrest decline of the area.

**** Code Enforcement does not include inspections for the purpose of processing applications for rehabilitation assistance. Those costs must be included in the housing rehabilitation costs.****

**** Note: For Number 17.** Pursuant to the Action Plan of the Consolidated Plan for Housing and Community Development, applications for the rehabilitation of existing state financed public housing will be eligible but only for non-urgent rehabilitation activities. If an applicant has an urgent need, they should apply directly to the Department of Economic and Community Development for state bond funds as soon as the need has been identified.

21. Special Economic Development Activities

a. Acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial structures and other real property equipment and improvements (including public facilities, site improvements, utilities) by public or private nonprofits, for job creation or retention.

b. Provision of assistance to private for-profit business, where the assistance is necessary or appropriate to create or retain jobs, and where there is justifiable public benefit to be derived.

22. Special Assistance to Certain Sub-recipients (Community Based Development organizations, Section 301(d) Small Business Investment Companies or local development corporations) to carry out neighborhood revitalization, community economic development or energy conservation projects (under certain conditions).

23. Planning and Capacity Building CDBG funds may be used for: Studies, analyses, data gathering, preparation of plans; and identification of actions that will implement plans. (See 24 CFR 570.205 of regulations for more detailed description). The amount of CDBG funds used for planning and capacity building activities is subject to the **16% limit** on planning and administration.

24. Payment of Reasonable Administrative Costs and carrying charges related to the planning and execution of community development activities. This may include general management, public information, fair housing activities, indirect costs, preparation of federal grant applications, necessary costs for obtaining financing for housing assistance and other activities. This may also include payment of reasonable administrative costs related to establishing and administering federally approved Enterprise Zones.

25. Direct Homeownership Assistance. CDBG funds can now be used to:

- (a) subsidize interest rates and mortgage principal amounts for low and moderate income homebuyers;
- (b) finance the acquisition by low and moderate income homebuyers of housing that is occupied by the homebuyers;
- (c) acquire guarantees for mortgage financing obtained by low and moderate homebuyers from private lenders (except that amounts received under this title may not be used under this subparagraph to directly guarantee such mortgage financing and grantees under this title may not directly provide such guarantees);
- (d) provide up to 50% of any downpayment required from low or moderate income homebuyers;
- (e) pay reasonable closing costs (normally associated with the purchase of a home) incurred by low or moderate income homebuyers.

26. Provision of technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities.

27. Housing Services, such as housing counseling, energy auditing, preparation or work specifications, loan processing, inspections, tenant selection, management of tenant based rental assistance, and other services related to assisting owners, tenants, contractors and other entities, participating or seeking to participate in housing activities authorized in Title I or under Title II of the Cranston-Gonzalez National Affordable Housing Act.

28. Provision of assistance by recipients of CDBG funds to institutions of higher education that have demonstrated capacity to carry out eligible activities.

29. Provision of assistance to public and private organizations agencies and other entities, (nonprofit and for profits) to enable such entities to facilitate economic development by providing credit, technical assistance and support for micro enterprises.

30. Activities necessary to make essential repairs and to pay operating expenses necessary to maintain the habitability of housing units acquired through tax foreclosure proceedings in order to prevent abandonment and deterioration of such housing in primarily low and moderate income neighborhoods.

31. Development of energy use strategies related to development goals.

32. Assistance to facilitate substantial reconstruction of housing owned and occupied by low and moderate income persons (subject to conditions).

33. Fair Housing Activities to facilitate compliance with Fair Housing Plan, implement Analysis of Impediments to Fair Housing or other related Fair Housing activities.



B. SUMMARY OF INELIGIBLE ACTIVITIES

In general, any activity not specifically authorized in the previous section will be considered to be ineligible for assistance under the Small Cities CDBG Program. Ineligible activities will not be considered for funding and will be deleted from your proposal. If an ineligible activity is central to your proposal, the entire proposal may be eliminated up front.

Following is a partial listing of activities that are expressly ineligible and will not be funded:

1. Construction, rehabilitation or other assistance connected with buildings or facilities for general conduct of government such as city or town halls, courthouses, schools, and other State and local offices. The only exception is the removal of architectural barriers from such facilities.

2. General government expenses or regular operating and maintenance costs of the local community.

3. Facilities or equipment used for political purposes or to engage in partisan political activities, unless the facility is available to all parties and organizations on an equal basis.

4. Purchase of equipment, especially construction equipment, except that which will be used as part of a solid waste disposal facility or as an integral part of delivery of a community service. Contact DECD if there are further questions.

5. Purchase of furnishings, personal property, or other equipment that is not an integral structural fixture. Those items which are necessary for administration of CDBG activities will, however, be eligible, as will the purchase of fire fighting equipment (for voluntary fire departments only).

6. New housing construction except as carried out by eligible sub-recipients or in conjunction with a Rental Rehabilitation project. Site improvements that support the development of low or moderate income housing, such as clearance, site assemblage, and the provision of public improvements, are eligible expenses. Contact DECD for details.

7. Income payments to individuals for housing or any other purpose, with the exception of relocation expenses.

8. Funds cannot be used to construct, rehabilitate, maintain, or restore a structure owned by a "pervasively sectarian organization," even if the structure is not used for religious services or instruction. (The Department of Justice's definition of "pervasively sectarian organizations" includes such groups as the Salvation Army, B'nai B'rith, and the YMCA) Block grant funds can be used to fund public services carried out by such organizations as long, as the service complies with certain conditions. The conditions that apply to the funding of public services sponsored by a religious organization are:

- a. the service must be exclusively nonreligious;
- b. no proselytizing, instruction, or other religious influence can be connected with the public service;
- c. there can be no religious discrimination in terms of employment or benefits.

The only exception to the prohibition on rehabilitation of structures owned by a sectarian organization is that minor repairs may be made as long as they:

- a. are directly related to carrying out a public service,
- b. occur in a structure used exclusively for nonreligious purposes, and
- c. constitute a minor portion of the CDBG funding.

Terms incorporating the above conditions must be set forth in a written contract between the Small Cities grantee and the sub-recipient, using draft wording supplied by HUD. Contact DECD for further information on these conditions.

5. NATIONAL PROGRAM OBJECTIVES

The primary objective of the Housing and Community Development Act of 1974, as amended, is the development of viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities, principally for families or persons of low and moderate income.

In order to meet these objectives, the federal government has established three national objectives for the Small Cities program. Every activity must meet one of the three national objectives. The three National Objectives are:

- A. Benefit low and moderate income families;
- B. Aid in the prevention or elimination of slums or blight;
- C. Activities designed to alleviate existing conditions that pose a serious and immediate threat to the health or welfare of the community (Urgent Need).

****NOTE**:** In addition to meeting a National Objective, applicants must also remember that each individual activity must be an eligible activity as defined in the Eligible Activity section.

Following is a description of how activities can qualify under each of the national objectives. This is a summation of the regulations and should only be used as a guideline for determining if a national objective can be met for a proposed activity. The detailed federal regulations concerning National Objectives is contained in Appendix D.

A. LOW/MODERATE INCOME BENEFIT

Low Moderate income persons are defined as those persons whose household income is at or below 80% of the median income for the area in which they reside. Appendixes A and B contain the geographic area and current income limits for all of Connecticut's municipalities, respectively. You must use the income limits that are designated for your community.

Activities can qualify under the Low/Mod Benefit National Objective in one of three ways. They are:

Areawide Benefit – Activities that benefit all of the residents of a particular area where at least 51% of the residents are low and moderate income persons. Activities that qualify under areawide benefit include but are not limited to street, sidewalk, sewer, or waterline construction.

When qualifying activities under the Areawide criteria, your application will have to fully document the Low/Mod benefit that is claimed. The low and moderate benefit for such activities is usually documented through either census data or an income survey. DECD also has a survey guidance package that is available upon request.

Limited Clientele – Activities that benefit a limited group of persons, at least 51% of who meet low and moderate income criteria. An example would be a public service or project that serves only a limited group of people, such as a youth center or a senior center. Under this method, applicants must either document the income of the people to be served or limit the activity to households whose family income meets low and moderate income benefit.

In addition to the above method, HUD assumes that certain groups automatically meet Low/Mod Benefit. They are abused children, battered spouses, elderly handicapped, homeless and illiterate persons, and migrant farm workers. Activities that serve such groups will be assumed to meet 51% low/mod benefit unless the applicant has documented that the clientele to be is a straightforward and

simple approach to qualifying activities that would serve such groups, applicants need to take into account that activities using the “assumed” benefit will only be credited with 51% low and moderate income benefit. This could be equivalent to sacrificing criteria. In such cases it would be beneficial to survey the group to determine the actual benefit.

Direct Benefit – This method is used to determine the low and moderate income benefit for activities that assist a specific known person or family. This includes residential rehabilitation or job creation activities. In cases where you do not know the assisted party at the time of application, such as with a housing rehabilitation program, grantees will have to document the Low/Mod Benefit that you claim in your application as you carry out your project.

B. PREVENTION AND ELIMINATION OF SLUM AND BLIGHT

Activities funded under the Slum and Blight national objective may involve the rehabilitation or removal of slums and blight in the physical, economic and/or social environments. Activities may address any serious conditions identified in the areas of residential, infrastructure, commercial, or industrial facilities. The overall program proposed should resolve all needs indicated.

Slum and blight activities are eligible, **provided that:**

- (a) The grantee has delineated a specific geographical area that meets a state or local definition of slum, blight or deterioration and where there are a substantial number of deteriorated or dilapidated buildings.
- (b) The activity is done through a comprehensive neighborhood improvement approach, while discouraging displacement (of both people and business).
- (c) Each structure to be rehabilitated must be substandard and all deficiencies must be brought up to that standard and be eliminated before further work is done.
- (d) Rehabilitation of structures outside a “blighted area” is limited to elimination of specific conditions detrimental to public health and safety.

C. URGENT NEEDS:

In order to meet federal urgent need criteria and qualify for a Discretionary Single Purpose Grant, the proposal must meet all of the following three criteria:

- It must address a serious, unique and immediate community development need related to public health and safety;
- It must not have been able to anticipated (e.g. by reasonably good planning) in the past eighteen months; and
- It must be last-resort funding (i.e. no other reasonable source of funds available).

6. Additional Program Guidelines and Requirements

Though the Department of Economic and Community Development does not expect applicants to know every federal regulation and guideline, it is important that you be familiar with common compliance areas. Two of the most important compliance areas, National Objectives and Eligibility, have been reviewed in previous sections.

This section will review a number of issues and policies in detail. These compliance issues should be reviewed carefully since they may impact your proposal. An example is the requirement to pay Davis-Bacon labor wages on all non-housing rehabilitation projects over \$2,000. This significantly increases labor construction costs compared to private sector construction. Another consideration is the requirement that rental units remain affordable for a five year period after rehabilitation. This could significantly affect the program design for rental properties.

Administrative Requirements

DETERMINING ALLOWABLE ADMINISTRATIVE COSTS

Under the Connecticut Small Cities Program, administration costs are limited to 16% of grant funds. Total administrative and project soft costs are limited to 25% for housing rehabilitation programs and 21% for all other activities.

In order to comply with this requirement, administrative costs must be distinguished from Project Soft Costs. Project Soft costs are those that are part and parcel of the delivery of individual project activities. For example, for a residential rehabilitation project, the salaries and related expenses of rehabilitation specialists, inspections or specification writing, or the cost of historic surveys and client services, would all be considered project soft costs rather than administrative expenses.

Administrative costs, on the other hand, are the costs of items that cannot be directly attributed to an activity but are rather associated with overall program management. Under the Connecticut Small Cities Program the following categories will be considered as administrative costs:

1. General Management, Oversight and Coordination Costs are the reasonable costs of overall project management, coordination, monitoring, and evaluation and similar costs associated with management.

Such costs include, but are not limited to, the following necessary expenditure items:

- Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- Salaries, wages, and related costs of the recipient's staff, the staff of local public agencies, or other staff engaged in general management, coordination, monitoring, and evaluation.
- Travel costs incurred for official business in carrying out the overall administration of the program; and
- Other costs for goods and services required for administration of the program including such goods and services as rental and maintenance of office space, insurance, utilities, office supplies, and rental or purchase of office equipment.

2. Indirect Costs - The cost of setting up accounting systems, purchasing procedures and allocation plans.

3. Citizen Participation - The cost of citizen participation (public hearings, newspaper notices, recording fees for public meetings, etc.) and public information programs specific to Small Cities activities.

4. Environmental Studies or Reviews - Reasonable costs associated with the preparation of the Environmental Review required for participation in the Small Cities Program.

5. Displacement Plan - Reasonable costs associated with the preparation of a Displacement Plan required for participation in the Small Cities Program if any displacement is anticipated or likely to occur.

6. Fair Housing Activities - Planning costs and development of a fair housing needs assessment, strategy and Analysis of Impediments through a New Horizons Fair Housing Task Force (see March 22, 1985 HUD Memo, and the May 1985 State Clearinghouse CDBG update, both available from DECD on request.)

7. Preparation of Small Cities Program Applications - costs for preparation of applications is eligible under the administration line item.

The preparation of Small Cities applications by local municipal or CDBG Small Cities staff is an eligible Small Cities administrative expense under the following conditions:

- Costs may include Small Cities proposal preparation, consultants, and prefigured expenses as outlined above.

- Costs may not exceed \$3,000 for the preparation of a Single Purpose application and \$5,000 for the preparation of a multiple activity application. Any amount in excess of these amounts will be the sole responsibility of the applicant.

- If current staff is utilized, the task may or may not be included in their job description, but the ongoing oversight and timely expenditure of prior grants remains the primary responsibility of the municipality.

- If a staff person, (including CDBG staff, planner, administrative assistant, etc.) is on the town's General Fund payroll, the cost of their time is not reimbursable. The only exception to this, according to OMB Financial circular A-87, is the cost of budget or fiscal preparation.

- Unless a town has a prior existing grant the cost of preparing an application is not reimbursable unless or until the new application is approved by DECD. If consultants or staff on a contracted or reimbursable basis are used, current grant administrative budgets should be reviewed carefully, as the cost of the current or prior grant's preparation may already have been charged off and the current budget may therefore be seriously affected.

Only activities that are specific to Small Cities administration may be charged off to this line. Costs that are applicable to management of other grants will not be allowable unless otherwise approved in writing by the DECD.

Those municipalities choosing to hire a private consultant to assist them in the preparation of their applications are encouraged to choose carefully. Be sure to ask any consultant seeking a contract for a list of references, including other communities for which the consultant may have done similar work in the past. Check with DECD to determine whether they have been in contact with staff for information on the Small Cities Program and application process. All federal procurement requirements must be met with consideration given to the State and National goals of equal employment opportunity, stimulation of small and minority-owned businesses, and fair labor practices. Failure to demonstrate compliance with the above may result in the entire cost of the consultant's contract being declared an ineligible expense.

The Town must develop written procurement policies and procedures, and should carefully document all steps in the procurement process including advertising, bid package and RFP's ("requests for proposals"), the basis for determining costs, copies of all bids received and contracts awarded, and the rationale, basis, or justification for selection. Contracts for professional services may be awarded on the basis of a firm's experience and expertise, after at least two firms have been contacted.

**** Contracts awarded on the basis of cost-plus-a-percentage-of-costs are specifically prohibited under federal financial regulations, as are those based on a straight percentage of an approved Small Cities grant, Payments can only be made for specific work completed.****

If a community wishes to have the same consultant administer portions of a funded grant, the scope of work must specifically be included in the original Request for Proposal (RFP) distributed to all prospective firms.

There is possibility for conflicts of interest if a person or business entity manages or administers a CDBG program for a grantee while providing a service or product under that particular grant. All grantees will be required to inform this Department entering into my contractual obligations where a person or business entity manages or administers a CDBG program while at the same time providing a service or product under that particular grant. This Department will make a case-by-case determination whether there are adequate controls to ensure that a conflict would be avoided.

The competitive proposal method is generally the best method for procuring professional services because factors in addition to price may be considered in selecting the contractor.

A. New Housing Construction

New housing construction is generally prohibited under the Small Cities program. However, communities can use Small Cities funds for the purchase of land for the future construction of such buildings and for various site improvements that would serve the new housing, including utilities, septic system, wells, roads, parking, etc.

A general exception to this prohibition of new housing construction is if such activities are carried out by an eligible sub-recipient (see Eligible Applicants section). Applicants considering using sub-recipients should contact DECD for additional information.

When Small Cities funds are used for this type of activity, all HUD requirements will be applicable unless other requirements are more stringent. Acquisition or rehabilitation of property for housing may be considered to benefit low and moderate income persons only to the extent that the units will, upon completion, be rented to low and moderate income persons or households at levels that are affordable for such persons or families.

B. Required FMR Rental Levels

As a method of assuring affordability, the Connecticut Small Cities program requires that all rental units rehabilitated with Small Cities funds are at or below the Fair Market Rent Levels as defined in Appendix C. **Note that the Fair Market Rent figures include utilities. If tenants are paying their own utilities, the Utility Allowance included in Appendix C must be used to adjust the maximum rent level downward.**

C. 5 Year Rental Affordability

Rental housing rehabilitated with Small Cities funds must remain affordable as described in the above section for a minimum of five years after rehabilitation.

D. Substantial Rehabilitation

Under recent revisions to federal regulations, Small Cities funds can be used to substantially rehabilitate residential units. Such substantial reconstruction can now be funded as long as (a) the need for such was not determined until rehabilitation had begun or (b) where the reconstruction is part of a neighborhood rehabilitation effort. If it is part of a rehabilitation effort, grantees must document that the housing is not suitable for rehabilitation as well as demonstrate that the cost of the rehabilitation will be less than the cost of new construction and less than the fair market value of the property after rehabilitation.

E. Residential Rehabilitation Structure Eligibility

If Small Cities funds are used to rehabilitate residential units, grantees must document the eligibility of each structure rehabilitated. To be eligible for rehabilitation under the Small Cities program, at least 51% of the total units within the structure must be occupied by low/mod income persons. This rule applies even if some of the units are not rehabilitated with Small Cities funds. The only exception is for duplexes, in which case only one unit (or 50%) must be occupied by a low and moderate income person.

Though a structure needs to be only 51% low/mod to be eligible for rehabilitation, grantees must always comply with the low/mod income benefit claimed in your application. If your application claims 100% benefit to low and moderate income persons, all units rehabilitated must meet the requirement.

F. Acquisition

Both the eligibility and the low and moderate income benefit of any acquisition activity is based on the future proposed use of the property. Low/mod benefit cannot be claimed merely because the parcel is located in a low and moderate income area. The proposed use will be reviewed to determine both eligibility and the national objective.

When developing projected costs and budgets, applicants should keep in mind that Small Cities funded acquisitions must comply with federal acquisition requirements. This includes the completion of an appraisal and a review appraisal. An additional federal requirement is that the purchase price not be lower than the lowest appraisal. This is opposite of state acquisition policies which require acquisition costs to be negotiated downward if possible. Complying with the federal requirements could increase the final acquisition cost.

G. Public Facilities

There is a wide range of activities that can be carried out under the public facilities category. However, applicants should keep in mind two key restrictions to public facilities. First, you must document that public facilities clearly serve the residents of the area in which low/mod benefit is being claimed. For example, a street reconstruction must serve the residents of the area but cannot be an arterial road that merely runs through a low and moderate area but actually serves a larger area. The second restriction is that funding cannot be used towards operating costs or routine repair or maintenance. Those are considered general government expenses and are not eligible under the Small Cities program.

H. Hookups, Assessments, and Utility Fees

Following is a list of special HUD guidelines that relate to assessments, hookups, and user or activity fees in relation to public facilities projects funded with Small Cities funds.

Special Assessments - When Small Cities funds are used to pay all or part of a public improvement project, the Small Cities funds used towards the project cannot be recaptured through the use of a special assessment. In addition, the non-Small Cities portion of the public improvement can only be recaptured if certain criteria are met. Under this criteria grantees must use Small Cities funds to pay the assessments for all properties owned and occupied by low or moderate income persons.

For public improvements not initially assisted with Small Cities funds, the payment of special assessments with Small Cities funds constitutes Small Cities assistance for the original public improvement. Therefore, paying special assessments under this circumstance is only allowed if the original public improvement was carried out in compliance with all applicable Small Cities requirements, including labor, procurement and environmental requirements.

User Fees - Reasonable fees may be charged for the use of the facilities assisted with Small Cities funds. However, excessive fees that may limit the participation of low and moderate income persons are not permitted.

Hook-Ups - The hook-up of residential structures to water distribution or local sewer collection lines is an eligible Small Cities rehabilitation expense.

I. Public Services

Public and social services are eligible for Small Cities funding as long as certain requirements are met. Those circumstances are that the public service must serve low and moderate income persons and the proposed services must offer a quantifiable increase in existing public services. Simply funding an existing public or social service is not eligible.

J. Code Enforcement

As described in the Eligible Activities section, code enforcement is an eligible Small Cities expense. Code enforcement involves the payment of salaries and overhead costs directly related to carrying out a local code enforcement program. Code enforcement activities must be:

- (a) targeted at a deteriorated or deteriorating area;
- (b) take place in an area where at least 51% of the residents are low or moderate income;
and
- (c) the code enforcement must be combined with other public improvements, rehabilitation, and public services, which together should be expected to arrest the decline of the area.
- (d) code of enforcement cannot be used to fund inspections or any other activities that serve the purpose of processing applications for rehabilitation assistance.

K. Housing for the Homeless

CDBG funds may be used to provide the necessary financing for acquisition and/or rehabilitation of shelters for homeless persons. The project may also involve the provision of equipment and staff. Grantees may elect to either undertake these activities directly or to provide the funds to a non-profit organization for this purpose.

L. Fair Housing Activities

Fair housing activities can be funded under both the public services and administrative cost categories, provided they are done under the same spending ceilings for the program in general.

M. Federal Wage Rates

Federal funds used in whole or in part on construction projects over \$2,000 or the rehabilitation of residential structures with 8 or more units are subject to the federal Labor Standards provisions. Davis-Bacon minimum wage requirements are one of these provisions and must be paid on all applicable construction projects. Remember to take into consideration these requirements when projecting costs of activities.

N. Small Business and Minority/Woman Business and Labor Surplus Area Enterprises

In accordance with 24 CFR Section 85.36 (e), each Grantee is required to take affirmative steps to assure that Small and Minority/Women Businesses Enterprises and Labor Surplus Area Enterprises are utilized whenever possible as sources of supplies, equipment, construction and services.

Minority Business Enterprise

"Minority Business Enterprise" means a business enterprise that is 51% or more owned, controlled and actively operated by one or more persons who are classified as a part of a socially and economically disadvantaged group. Such socially disadvantaged persons include, but are not limited to, Blacks, American Indians or Alaskan Natives, Hispanic, Asian or Pacific Islanders, and Portuguese.

Woman Business Enterprise

"Woman-Owned Business" means a business that is 51% or more owned, controlled and actively operated by one or more persons who are classified as a part of a socially and economically disadvantaged group. Such socially disadvantaged persons include, but are not limited to, Blacks, American Indians or Alaskan Natives, Hispanic, Asian or Pacific Islanders, and Portuguese.

Small Business Enterprises

Qualifications overlap partially, but not completely, with those in state law. A "socially and economically disadvantaged small business concern is any small business concern:

- 1) Which is at least 51% owned by one or more socially and economically disadvantaged individuals; or in the case of publicly-owned business, at least 51% of the stock of which is owned by one or more socially and economically disadvantaged individuals;
- 2) Whose management and daily business operations are controlled by one or more of such individuals.
- 3) Gross earning must not exceed 3 million dollars for the previous calendar year.

O. Relocation Expenses

If any displacement stems from a Small Cities funded activity, the displaced persons must be given relocation assistance. Though relocation payments are an eligible Small Cities expense, the costs associated with relocation payments may be so high as to make the project economically infeasible. In addition, the federal government now requires that any low/moderate residential dwelling unit taken off the market must be replaced on a 1 for 1 basis with a new low/mod housing unit.

In order to avoid the problems related to displacement and relocation, proposals should be designed to minimize relocation and to avoid it entirely if practical. Demolition of housing units should be avoided whenever possible. Where such actions cannot appear to be avoided, applicants must take relocation costs into consideration when projecting costs.

P. Environmental Considerations

If awarded, all Small Cities grantees will have to complete an Environmental Review Record prior to incurring costs. Though the Environmental Review Record does not have to be completed prior to grant award, applicants should take environmental conditions into consideration when developing proposals. This will help to avoid lengthy studies, reviews, and delays as you begin to implement your grant. It is strongly suggested that activities within floodplains and inland wetlands be avoided entirely and that any obvious potential historic preservation problems be taken into consideration. If you have any questions concerning environmental compliance requirements, contact Bill Frederick, at 270-8146.

Q. Combining CDBG Funds with Other Programs

When CDBG Small Cities funds are combined with other sources of funding on a project, all CDBG requirements apply to the entire project no matter how much or how little money is involved. The only exception is that other requirements will apply if they are more stringent.

In all cases, separate records for the CDBG and non-CDBG portions of all activities must be maintained. If projects are co-funded by other state agencies, DECD may review the joint budgets for appropriateness of expenses and/or for potential duplication of costs.

R. Program Income Guidelines

Certain Small Cities activities, such as housing rehabilitation or business loan programs, will produce program income as the loans are repaid. Program income can be a vital source of funds for a locality if either competition increases or federal funds are reduced. For this reason, DECD encourages that such programs be designed in a manner that produces the greatest amount of program income for the grantee.

General Instructions

Three Applications copies should be submitted as follows:

1 complete original clearly marked “**ORIGINAL**”, with all required “HANDBOOK” exhibits having original signatures.

2 Copies

All materials must be bound (3 ring binders, etc.) and tabbed by section and placed in the same order as they appear in the application. Each tabbed section must include all relevant materials for that section, including Application exhibits.

* “Handbook” exhibits (e.g., Local Assurances, Certified Resolution, Application Certification,) must be tabbed and placed at the end of the Application.

Completing the application

When a question is not answered on the application itself, please provide the information through specified documents, maps, or illustration as an “Exhibit.” In certain instances, however, the Exhibit is a form included with the application. These are marked and only need to be filled out according to the instructions. If you do not have sufficient room to answer a question in the space provided, place the remainder of your response on a separate piece of paper, marked as “Exhibit” and numbered to correspond to the question being answered. Include these materials in the tabbed section that the materials supplement.

For each question, provide all information that you want considered as a response even if it requires repeating items included in other sections. Please be sure you complete all parts of the application. If a question or Exhibit is not relevant to your project, place “N/A” (not applicable) in the space. All parts of the application and required Exhibits must be completed for the application to be eligible for evaluation.

Exhibits and Formatting

Application Requirements

- ❖ Citizen Participation Requirements
- ❖ Affidavit of Publication
- ❖ Site & Building form
- ❖ Financial Analysis form from CHFA (for housing authorities)
- ❖ Performance measurement info
- ❖ Certified Resolution
- ❖ Local Assurances
- ❖ Cooperation Agreement
- ❖ Title VI Compliance
- ❖ Fair Housing Plan Guidelines
- ❖ Application Certification
- ❖ Release of Funds
- ❖ Site & Building Report Form
- ❖ Program Income Plan, as applicable
- ❖ Certification of Compliance with the Requirements of 24 CFR 570.606
- ❖ Residential Anti-displacement and Relocation Assistance Plan (24 CFR 42.325)
- ❖ Rehabilitation Guidelines, as applicable
- ❖ Armstrong/Walker “Excessive Force” Certification

All Application Exhibits must be clearly titled, numbered and included in the corresponding section of the submission. Narratives should be in minimum of 11 pt type with 1.5 or 2 spaces between lines and a minimum of 1 inch on all four margins. Single spacing is fine for all other responses on the application itself.

Other considerations

All commitment letters or pre-commitment agreements being provided by the applicant will be rated based on the degree of certainty. **Full commitments will be rated higher during the rating and ranking process than something less firm such as a letter of understanding or interest.**

Data from surveys and waiting lists will be judged by appropriate standards such as date of data collection, reliability and validity of methods, sample size and relevance of data to specific project proposed. Data from several different sources provides the most convincing case, although two sources of corroborating data may be sufficient in some instances.

Instructions for Preparing Application

1. Project Identification

- 1.1** Check the appropriate Activity Category as identified in the CFR reference for eligible activities. See Sections 24 CFR 570-201 through 570-205.
- 1.2** Accomplishments
- 1.3** Performance Measurement
Select **only one item** under each category

Objectives

Creating Suitable Living Environments
Providing Decent Affordable Housing
Creating Economic Opportunities

Outcomes

Availability/Accessibility
Affordability
Sustainability

Outcome measures are driven by local intent. To determine the most appropriate outcome for an activity, ask: "What type of change or result am I seeking?"

Common Indicators

Generally apply to all activities, and use data commonly collected by grantees
Grantees only report data items that are currently required

4 Common Indicators

- 1** Amount of money leveraged (non CDBG)
- 2** Number of persons, households, businesses, units or beds assisted
- 3** Income levels of persons or households
30, 50, or 80 percent of AMI
- 4** Race, ethnicity, and disability data for activities that currently report these data

1.4 Acquisition

1.5 Relocation

Benefits to business or residential tenants under the Federal Uniform Relocation Assistance and Property Acquisition Policies Act of 1970 (URA) can be triggered at the time the applicant submits its application to DECD. This occurs if the applicant has already acquired, or entered into an agreement to acquire, the property. If this is the case, it is imperative that the General Information Notice (GIN), modified to fit the circumstances of your project, be sent to every tenant prior to or simultaneous with the submission of this application. A sample GIN is included as Appendix E of the Small Cities CDBG Program Application Handbook.

If tenants were not involved with the acquisition, please explain briefly in an

attachment. Provide specifics concerning how long the property has been vacant or unoccupied. If tenants were involved with the acquisition, has a GIN been sent to every tenant? Please provide a copy of the GIN. If a GIN has not been sent, one must be sent immediately with a copy forwarded to DECD or an explanation as to why a GIN was not sent must be attached. The requirement for issuance of a GIN can also be triggered if the applicant acquires, or enters into an agreement to acquire, the property while its application is under review by DECD. If that occurs, the applicant must issue the GIN and send a copy to DECD.

1.6 You must meet at least one of the national objectives.

1.7 Narrative:

The description **must** include but is not limited to addressing the following:
Provide a project description – 500 words or less. For identification purposes, Identify street(s) and #(s) of actual site(s). Attach information on additional locations

1. A detailed description of the actual physical activities or services that would be undertaken. (purpose of the project)
- 2 Identify the magnitude and severity of any identified problem, and include any past efforts to deal with the problem
3. The status of site control (i.e. option to purchase, own, lease)
4. At what stage are you on the planning and implementation of this project?
5. Any unique situations or anticipated problems in the development of the project
6. Any special conditions/requirements imposed by funders or others.
7. If the project involves relocation identify the numbers of individuals, families or businesses to be relocated
8. If new construction for home ownership is planned, please provide information on the type and style of housing, average size, expandability, and amenities.
9. For economic development projects, demonstrate how the business assistance is necessary or appropriate to create or retain jobs and address where there is a justifiable public benefit to be derived.
10. For public services, demonstrate that the proposed service is either a new service or a quantifiable increase in service. Demonstrate how the project addresses any local Community Development Plans.

1.8 Program Benefit Data

Area benefit activities:

Identify the Census Tract and Block Number.

Survey and/or census documentation is required to establish the 51% benefit.

If a survey was conducted provide the methodology used and include the results.

Direct Benefit Complete the chart to show what percentage of funds will benefit LMI persons. Identify the data sources and detail the methodology used to calculate the number of low/moderate income persons and families benefiting. If a survey was used, provide the survey instrument, a summary of the results, and the methods used for data collection

2. Project Need

Submit a brief narrative of 250 words or less. You are encouraged to use the documentation that is best suited to making the case for your project. Below are some suggested sources of information:

- Documentation of health and safety issues
- Unemployment rate for community/region
- Demonstrated business need/interest
- Plant closures and other economic changes
- Waiting lists for existing assisted housing
- Waiting lists for proposed activity in rehab loans
- Waiting lists at projects - comparable housing
- Vacancy rates for housing at existing housing developments or in general housing market
- Occupancy rates for existing commercial/industrial space
- Accessibility
- Availability of housing tenure type affordable to your target income group(s)
- Availability of unit sizes affordable to your target income group(s)
- Waiting lists for proposed home ownership program
- Results of surveys for home ownership programs
- Availability of affordable home ownership housing stock in target area
- Comparable market rate for similar housing
- Waiting list for existing services
- Results of specific surveys
- Technical evaluations of problems with existing facilities, infrastructures documented from agencies such as DEP, DOT
- Lack of services, facilities, and/or public utilities
- Percentage of substandard housing in target area

3. Applicant Capacity

- 3.1 Key personnel
Qualifications would include: relevant small cities experience, licenses, degrees, and previous experience with federal programs. Provide resumes and additional narratives as needed.
- 3.2 Identify community development projects
- 3.3 Spending verification
- 3.4 Subrecipient
“Subrecipient” is an entity with whom the municipality contracts to conduct the activities proposed in this application. submit a copy of the subrecipient agreement with the application documents.
- 3.4a Identify the 4 most recent projects similar to the one proposed, that the sub-recipient has brought to completion.

3.4b Litigation – applies to both the grantee and the sub-recipient

3.5 Compliance with project requirements

Indicate for projects noted in 3.4a instances of audit or monitoring findings

4. Project Feasibility- Sources and Uses, Environmental, Technical

4.2 Program Income: Indicate the amount of program income on hand, the year it was earned and the source.

4.3 Environmental/ Feasibility/ Compliance

I, II & III Unusual/Environmental Site & Building Conditions

The factors listed are those that must be addressed and are based on the general areas of environmental concern cited in the National Environmental Policy Act (NEPA) and Federal Regulations pursuant thereto. If there are other unusual site or building conditions, or other areas of environmental concern that would specifically affect the proposed project they must also be addressed.

4.3 IV Site & Building Report

The purpose of the report is to identify any past or current conditions at or surrounding the site or structure(s) that would have an impact on the proposed project activity or that would influence the development process. The report is required for any proposed new construction or rehabilitation of existing buildings. It is not required for infrastructure projects or rehab programs. If a Capital Needs Assessment (CAN) has been completed for existing Housing Projects rehab purposes, it may be substituted for the Site & Building Report provided it addresses all the topics in the Site & Building Report form. A CNA may also supplement the Site & Building Report as Supporting Data. Complete the Report and attach as Exhibit 4.3.

HUD Environmental Standards – It is HUD policy that all properties be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances, where a hazard could affect the health and safety of occupants or conflict with the intended utilization of the property. Section 6 of the Site & Building Report provides a means to identify suspected hazardous materials and determine the necessity of professional Environmental Site Assessments for hazardous materials. If professional Environmental Site Assessments have been prepared, Section 6 does not have to be completed.

Environmental Site Assessments

If a Phase I Environmental Site Assessment has been completed or will need to be performed, it must be in accordance with the American Society for Testing and Materials (ASTM) Designation E 1527-05 "Standard Practice for Environment Site Assessments: Phase I Environmental Site Assessment Process." A copy of the Assessment must be submitted. If the Phase I Assessment recommends a Phase II Assessment and both have been completed, attach copies of each as Exhibit 4.3a.

Section 7 - Supporting Data - The maps and materials listed are normally available from the local authority having jurisdiction, such as the Assessor's Office, Planning and Zoning Office,

Wetlands Commission, etc. Floodplain Maps must be FEMA Flood Insurance Rate Maps. All maps must be at a scale to clearly identify the project area and surrounding neighborhood(s).

4.3 V Infrastructure: Roads, Streets, Utilities, Walks, Parks, Landscaping

Complete this section if your project is civil engineering, non-building/structure related not applicable for a Site & Building Report.

4.3 VI. Hazardous Materials Notifications & Requirements

If temporary relocation of occupants is necessary due to hazardous materials remediation or abatement, please describe relocation plans, including timing and costs, and attach as Exhibit 4.3.b

4.4 Coordination/Approvals/Clearances– Please identify any local, state or federal permits or approvals that are required by the appropriate authority having jurisdiction in order to complete the proposed project or activity. If appropriate permits and approvals have been obtained include copies with this application. If they have not been obtained submit documentation indicating any potential problems in obtaining them and the anticipated time frame to secure the permits or approvals from the regulating authority. Permits/approvals may include, but are not limited to, local zoning, state storm water management, federal historic designation, DOT, DEP etc. If Flood Management Certification is required pursuant to Connecticut General Statute 25-68b, contact DECD for further assistance.

4.5 Construction Documents

This section is intended to indicate an activities' "Readiness to Proceed". Please indicate the status of project design, anticipated time to complete design and bid, status and duration of local approval processes, estimated construction cost and Procurement process. Check all that apply and submit all supporting information indicated.

4.6 Programs: Residential Rehab, Façade Improvement

Provide a narrative describing the processes, requirements and procedures used in the implementation of the Program. Each of the processes and factors A – G must be addressed.

4.7 Energy Star – For Projects and Programs

HUD is promoting and encouraging the incorporation of Energy Star requirements in all Federally funded programs. Describe efforts to incorporate Energy Star in the project or program. For ENERGY STAR Standards and Qualified Products, go to web site www.energystar.gov for product info.

5. Community Impact

5.1a Community impact map

Constructing the map may involve using a phone book map or other readily available maps. The purpose of the map is to create a "snapshot" of the project, to illustrate the way the project fits into the surrounding neighborhood and how it will impact the area. The map should highlight major housing patterns, transportation, relevant services etc.

5.1b Map Narrative

5.1c Census Tract Data

5.1d A community that is interested in seeking approval of a community revitalization strategy (CRS) must submit a request to DECD prior to and separate from an application for a Small Cities grant.

5.2 Community support

Letters may come from various groups:

- Advocacy groups
- Church groups
- Social service providers
- Neighborhood groups
- Regional policy makers and service providers

In addition you can submit letters of support from regional planning agencies or other regional organizations to demonstrate the relationship between the proposed activities and regional needs.

5.3 Indicate yes or no to displacement or 1 for 1 replacement. .

5.4 Affordability

Provide actual or sample landlord/tenant agreement indicating the 5year affordability period. For housing rehab. rental units, **a minimum of 5 years affordability is required**. For major construction, the length of affordability will be determined by the major funder's requirements.

5.5 Responsible Growth

Responsible growth includes economic, social and environmental development that incorporates land use and resources in ways that enhance the long-term quality of life for current and future generations of Connecticut residents. Responsible growth supports a vibrant and resilient economy and maximizes previous investments in infrastructure in Connecticut while preserving its natural resources, distinctive landscapes, historic structures, landmarks, and villages. As per the responsible growth policy, DECD will give priority to projects that reuse or capitalize areas within built-up lands, existing commercial properties, and brownfields. DECD will not encourage use of new and undeveloped land resources, and conversion of open space and agricultural land.

DECD gives preference to projects that satisfy the following responsible growth criteria:

- Conformance with the C&D Plan for Connecticut.
- Location within existing developed areas and promotion of infill development.
- Location within existing public utilities service areas (water, sewer, etc.).
- For projects outside of public utility services areas, scaling down to use on-site systems, where practicable, to manage unplanned development of adjacent land.
- Promotion of transit-oriented development.

- Promotion of energy/water conservation, energy efficiency and “green” building design.
- Avoidance of adverse impacts to natural and cultural resources and open space.
- Promotion of mixed-use development and compatible land uses (pedestrian-friendly with access to multiple destinations within close proximity of each other).

The responsible growth section has been categorized under the following headings to reflect DECD’s responsible growth funding priorities. It is important to note that proposed projects for the CDBG grants do not have to satisfy all of the responsible growth criteria. This scoring process identifies projects that are more supportive of DECD’s responsible growth policies. The various responsible growth categories or questions are weighted to reflect their relative importance. However, the types of projects eligible under the CDBG program and the ability to support various responsible growth criteria have been considered while assigning the weightages.

5.5a Planning Consistency with State C&D Plan and Other Plans

This category confirms if the project satisfies the requirements of the State C&D plan. The applications will be reviewed for compliance with the C&D Locational Guide Map as well as the text. The C&D map categorizes the state lands into four development categories and four conservation categories that are prioritized according to their characteristics and suitability for various state actions¹. Please identify project location on the C&D plan. If project has multiple addresses (for example, town-wide projects), please outline rough areas to the best of your knowledge and answer questions likewise. This category also clarifies consistency with any local C&D plans, local economic development plans, or any such relevant local plan. Community consensus is also confirmed.

1 Development Area Categories and Policy

Regional Centers – Redevelop and revitalize the economic, social, and physical environment of the state’s traditional centers of industry and commerce.

Neighborhood Conservations Areas – Promote infill development and redevelopment in areas that are at least 80% built up and have existing water, sewer, and transportation infrastructure to support such development.

Growth Areas – Support staged urban-scale expansion in areas suitable for long-term economic growth that are currently less than 80% built up, but have existing or planned infrastructure to support future growth in the region.

Rural Community Centers – Promote concentration of mixed-use development such as municipal facilities, employment, shopping, and residential uses within a village center setting.

Conservation Area Categories and Policy

Existing Preserved Open Space – Support the permanent protection of public and quasi-public land dedicated for open space purposes.

Preservation Areas – Protect significant resource, heritage, recreation, and hazard-prone areas by avoiding structural development, except as directly consistent with the preservation value.

Conservation Areas – Plan for the long-term management of lands that contribute to the state’s need for food, fiber, water and other resources and environmental quality by ensuring that any changes in use are compatible with the identified conservation value.

Rural Lands – Protect the rural character of these areas by avoiding development forms and intensities that exceed on-site carrying capacity for water supply and sewage disposal, except where necessary to resolve localized public health concerns.

5.5b Regional Development Emphasis

This category confirms if project involves inter-municipal collaborations, supports a regional plan, has regional significance, and/or is endorsed by a regional planning authority. Inter-municipal or regional collaborations could be more efficient for the state in terms of financial resources and would benefit multiple communities. Therefore, communities that strive to achieve this criterion will be awarded extra points.

5.5c Site and Reuse/Rehabilitation Characteristics

This category scores the project based on its reuse and rehabilitation of existing property, infrastructure, and land. Projects that include or assist in rehabilitation or reuse of any old mills or historic buildings are given extra points. Similarly, projects that involve brownfields² are also awarded extra points.

5.5d Transit-Oriented Development Characteristics

"Transit-oriented development" as defined in the June Special Session, Public Act No. 07-7 of the Connecticut General Assembly, is the development of residential, commercial and employment centers within one-half mile or walking distance of public transportation facilities, including rail and bus rapid transit and services, that meet transit supportive standards for land uses, built environment densities and walkable³ environments, in order to facilitate and encourage the use of those services. Points will be awarded if the project is within about half a mile from a train station or bus stop, project description encourages use of public transit and multi-modal transportation, and/or promotes walkable communities.

5.5e Support of Mixed-use Development

Mixed-use refers to a variety of land uses such as residential, retail, commercial, business, office, public, and recreational. Mixed-use development provides vibrancy in the community and convenience of being accessible to the various uses by foot. Most of the projects proposed for the CDBG Small Cities grants may include single uses. However, the project area (radius of approximately half a mile of the site) may be accessible to a number of uses. DECD will be using "Walk Score™"⁴ as a tool to measure the availability of a variety of land uses in the vicinity of the project site. If applicants can provide supporting information of the presence of mixed uses

2 As per the Environmental Protection Agency (EPA), brownfields are defined as such: "With certain legal exclusions and additions, the term "brownfield site" means real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant." See <http://www.epa.gov/brownfields/glossary.htm> for a more detailed definition of brownfields.

3 Walkability can be defined as the quality of walking conditions, existence of walking facilities and the degree of walking safety, comfort and convenience. Characteristics of a walkable environment include but are not limited to walkable access no more than half a mile or ten minutes from multiple destinations including restaurants, retail services, grocery stores, transit stops etc.; location in a geographic area that is safe and free of crime; and high street connectivity.

4 Walk Score™ is a free web based tool to measure the walkability of a particular area (see <http://www.walkscore.com/>). DECD is using this tool to measure presence of mixed-uses in any area. Although not perfect, for the CDBG program, DECD is only using a threshold walk score of 50 (some stores and amenities within walking distance) to award points for presence of mixed uses in the area.

(example, public library, town hall, community center, senior center, retail store, banks, restaurants etc.) within about half a mile of the project site, they will be awarded points. In addition, through its responsible growth initiative, DECD is encouraging adoption of mixed-use zones in local municipal guidelines either through conversion of single uses or other tools such as overlay zones. Projects that convert a building or existing space from single use to mixed uses will also be awarded extra points.

5.5f Sustainable Development Characteristics

DECD encourages the incorporation of sustainable development standards into all project designs. These standards include but are not limited to green building standards⁵, alternate energy sources, water conservation, good stormwater management techniques, natural and historic resources conservation, and land conservation. HUD strongly encourages CDBG grantees to incorporate ENERGY STAR⁶ qualified products and practices when conducting rehabilitation or constructing new housing. Compliance with ENERGY STAR is rated under another section in the application and therefore, is not included under this responsible growth section.

6. Fair Housing and Equal Opportunity - Instructions

General Instructions: Do not leave any questions unanswered. Points will not be awarded if questions are not answered or non-responsive or marked N/A.

6.1 Complete only if this is a Housing Project

6.1a - If the proposed project will serve a type of housing or create a type of housing that is underrepresented in the benefit area, check the box or boxes that apply. In addition, provide the percentage which currently exists in the benefit area and the anticipated percentage after the project is completed. In this context, the word "underrepresented" means any type of housing that comprises less than 51% of the housing stock in the benefit area. For example, if the benefit area's housing stock is 80% homeownership and 20% rental, rental housing stock would be underrepresented in the benefit area.

⁵ Green building is the practice of creating structures and using processes that are environmentally responsible and resource-efficient throughout a building's life-cycle from siting to design, construction, operation, maintenance, renovation and deconstruction. This practice expands and complements the classical building design concerns of economy, utility, durability, and comfort. Green building is also known as a sustainable or high performance building. The Environmental Protection Agency (EPA) has a number of programs (visit <http://www.epa.gov/greenbuilding/index.htm>) that provide resources to help you learn more about the components of green building and how to incorporate these green building concepts into different types of buildings. The following paragraphs briefly explain some of the green building terms used in the application form. LEED (Leadership in Energy and Environmental Design) is a third-party certification program and a nationally accepted benchmark for the design, construction and operation of high performance green buildings. ASTM (American Society for Testing and Materials) now ASTM International, is one of the largest voluntary standards development organizations in the world and a trusted source for technical standards for materials, products, systems, and services. Green Globes Fit-up is both a guide and an assessment protocol for the design of commercial interiors. Using a confidential questionnaire, the program generates an on-line report.

⁶ EPA and U.S. Department of Energy's "ENERGY STAR" program promotes products and practices to improve the energy efficiency of homes, buildings, and various building components and appliances. For HUD's policy on ENERGY STAR visit <http://www.hud.gov/energystar/cdbg.cfm>.

6.1b - If the proposed project will serve a household type or create housing for a household type that is under-represented in the benefit area, identify the type(s) of households by checking the appropriate box or boxes. **In addition, provide the percentage which currently exists in the benefit area and the anticipated percentage after the project is completed.** In this context, the word “underrepresented” means any household type that comprises less than 51% of all household types in the benefit area. “Large family” means any household of more than 4 persons that includes children under the age of 18 living with a parent or guardian or person standing the place of a parent or guardian. “Special needs” means any household that includes a member or members who meet the definition of handicapped as found at 24 C.F.R. §100.201. “Elderly” means any household whose head is a person over the age of 55. “Other” types of households who may be underrepresented in the benefit area are households protected from discrimination by the state and federal fair housing laws such as housing for grandparents parenting children, supportive housing for people with disabilities, or homeless households.

6.1c - **Based on the application**, indicate the income range(s) in the benefit area served by the activity as well as the predominant income in the project. Points will be awarded if the project serves an income level that is underrepresented in the benefit area. In this context, the word “underrepresented” means any income level that comprises less than 51% of all income levels in the benefit area.

6.2 Non-housing Applicants Must Complete

6.2a - Activities are to promote diversity and economic integration in the municipality. Check all boxes that apply.

6.3 ALL Applicants Must Complete

6.3a – Fair Housing Action Plan. A Fair Housing Action Plan (FHAP) is a federal requirement for all municipal applicants seeking federal funding. Refer to the Handbook for guidance and the Fair Housing Action Plan form. The Fair Housing Action Plan must mirror the form included in the Handbook and must include the “Income Needed for Housing” calculation forms. No points will be awarded without both the Fair Housing Action Plan which mirrors the correct form and the “Fair Housing Action Plan - Calculation Forms”. The Fair Housing Action Plan must be signed and dated by the current administrator of the municipality. Be sure to include an Affirmative Fair Housing Marketing Plan and Tenant Selection Methodology if funds will be used for housing related activities. If the housing project was funded by HUD, USDA, or any other federal agency, please provide the Affirmative Fair Housing Marketing Plan and Tenant Selection Methodology that was approved by the federal agency. Attach and label the Fair Housing Action Plan as Exhibit 6.3a.

6.3b – Section 3 Plan - As required by Section 3 of the Housing and Urban Development Act of 1968, as amended, provide a current (current means signed by the current administration) Section 3 Plan (Equal Opportunity Plan), **which includes written procedures to describe how good faith efforts will be directed by the town to provide training and employment opportunities to Section 3 residents and to award contracts to Section 3 contractors.**

The Section 3 Plan requirement applies to recipients of federal funds for which the grant amount exceeds \$200,000. In addition, if work is being performed that exceeds \$100,000, the contractor/subcontractor is also required to have a Section 3 Plan. See the Handbook for further information on Section 3 requirements and guidance on how to complete a Section 3 Plan. The Section 3 Plan must be signed and dated by the current administrator of the municipality. Attach and label as Exhibit 6.3b.

6.3c – Affirmative Action Policy Statement - In order to ensure that recipients of federal funds comply with applicable Affirmative Action laws, applicants are required to complete an Affirmative Action Policy Statement. The Affirmative Action Policy Statement must be signed and dated by the current administrator of the municipality. Attach and label as Exhibit 6.3c.

6.3d – Affirmative Action Plan - Bonus Points

An Affirmative Action Plan is a voluntary requirement for public agencies, but both the State and Federal government strongly encourage the completion of an Affirmative Action Plan. Bonus points will be awarded to municipalities who submit an Affirmative Action Plan. See the Handbook for a list of websites that will provide a format and guidance on how to prepare an Affirmative Action Plan. The Affirmative Action Plan must be signed and dated by the current administrator of the municipality. Attach and label as Exhibit 6.3d.

6.3e – ADA/Section 504

Based on the requirements of the Title II of the Americans with Disabilities Act (ADA) of 1990, both an ADA/504 Notice and Grievance Procedure must be implemented by a recipient of federal funds. See the Handbook for guidance on how to complete the ADA Notice and Grievance Procedure. The ADA/Section 504 Notice and Grievance Procedure must be signed and dated by the current administrator of the municipality. Attach and label ADA/504 Notice as Exhibit 6.3e-1 and ADA/504 Grievance Procedure as Exhibit 6.3e-2.

6.3f – ADA/Section 504 Self-Evaluation and Transition Plan - Bonus Points

In 1988, to promote compliance with Section 504 of the Rehabilitation Act of 1973, recipients of federal funds were required to review all of their services, programs and activities to identify any physical barriers or policies, practices or procedures that may limit or exclude participation by people with disabilities. Municipalities were then expected to produce a transition plan that included steps to address the barriers identified. However, since many of the plans were conducted so long ago, applicants are encouraged to conduct an updated review of all facilities, policies, practices, and procedures. See the Handbook for the forms which must be filled out to complete Section 504/ADA Self-Evaluation for physical facilities and a Self-Evaluation of a town's rules, policies and procedures. Attach the facilities self-evaluation as Exhibit 6.3f-1. Attach the policies, programs or procedures self-evaluation as Exhibit 6.3f-2. Although it is not a requirement, applicants that have a Section 504/ADA transition plan that has been updated and reaffirmed by the municipality within the last 3 years will receive bonus points. See the Department of Justice ADA Guide for Small Times in the Handbook for instructions on how to develop a Section 504/ADA Transition Plan. Attach a copy of Section 504/ADA Transition Plan as Exhibit 6.3f-3.

6.3g – Workshop on the Analysis of Impediments (AI) to Fair Housing – Bonus Points

Indicate if the municipality sent a staff member (excluding any consultants) to the workshop on Fair Housing Action Steps and the State of Connecticut Analysis of Impediments.

6.4 Complete If Past Grantee Only

6.4a – As part of the Fair Housing Action Plan, municipalities are required to select at least three action steps based on the community category under which the municipality falls. These action steps must be implemented within a 3-year period beginning with the date of contract execution. A completed Fair Housing Action Plan Schedule form (which can be found as an Exhibit in the Handbook) **must** be used in order to receive points. The form should list all local Fair Housing Action Steps that the Municipality has completed within the last three years, a description of the activities that were undertaken, and the names and positions of the staff responsible for implementing the action steps. The list can also include action steps that are currently underway. Attach and label the Fair Housing Action Plan Schedule as 6.4a. Use additional paper as the attachment if necessary.

6.4b - Section 3 of the Housing and Urban Development Act of 1968, as amended, applies to recipients of federal funds for activities such as housing rehabilitation, housing construction, and other public construction, which the grant amount exceeds \$200,000. In addition, contracts in excess of \$100,000 must also meet requirements of Section 3. See the Handbook for further information on Section 3 requirements. Complete the chart in the application by listing the number of proposed contracts, dollar amounts and numerical hiring/training goals over the past 3 years in accordance with your existing Section 3 Plan. Then, list the actual accomplishments by year. If you failed to meet the goals stated in your current Section 3 Plan, check the appropriate box or boxes indicating that you have demonstrated a good faith effort with the requirements of Section 3.

6.4c - Complete the chart in the application by listing the number of contracts and subcontracts awarded to certified small businesses and minority- and women-owned firms, and the dollar amounts over the past 3 years. "Certified" means receiving certification from the Connecticut Department of Administrative Services (DAS), the federal Small Business Administration (SBA), or other state or federal governmental agency. If contracts or subcontracts have not been awarded to certified small businesses and minority- and women-owned firms, the applicant should check the appropriate box or boxes describing the good faith efforts that were undertaken in order to comply. See Handbook for more information on Small and minority owned firms and women's business enterprise.

6.5 Complete If New Applicant Only

6.5a - Indicate if the municipality is a new grantee. As stated in the application, a new grantee is defined as a municipality that has not received a Small Cities grant over the past consecutive 3 years.

6.5b - Identify on the Local Past Fair Housing Initiatives Schedule form (which can be found as an Exhibit in the Handbook) past projects, initiatives or actions taken by the municipality over the past 3 years to promote the principles of fair housing and equal opportunity. A completed Past Fair Housing Initiatives Schedule form must be used in order to receive points. The focus of the municipality's response should be on its record of performance in carrying out its responsibilities to promote racial and economic integration, seeking beneficiaries from all racial

and ethnic groups including persons with physical and mental disabilities, families with children, and seeking a broad range of income-eligible beneficiaries. Attach and label the Past Fair Housing Initiatives Schedule as Exhibit 6.5b.

CITIZEN PARTICIPATION REQUIREMENTS

The Community will be required to hold a minimum of two public hearings, each at a different stage of the program, for the purpose of obtaining citizens' views and responding to proposals and questions. Together the hearings must cover community development and housing needs, development of proposed activities and a review of program performance. The public hearing to cover community development and housing needs must be held before submission of an application to the state. A legal Notice of the Public Hearing must be published at least twice in a newspaper of general circulation in the municipality. The first notice must not be less **than two weeks** prior to the date of the Public Hearing. The advertisement must include a statement advising individuals with disabilities to contact the town's ADA coordinator to request special accommodation if needed. Include the name of the ADA Coordinator, address and telephone number in the advertisement.

The applicant must also take appropriate affirmative actions to make the scheduling of the Public Hearing known to citizens, including low and moderate income residents who may have needs or be affected by the proposed program but who might not be expected to be aware of the hearing through newspaper notices. Evidence of these affirmative efforts must be a part of the applicant's proposal.

In addition to the required Public Hearing, the New Community Development Act of 1987 requires each applicant to include citizens and citizen groups in the development phase of their proposal and to include low/moderate income people in decisions regarding the definition of and most appropriate solutions for their specific needs.

Attach evidence that you have met all required citizen participation requirements concerning this grant application. The narrative of compliance should indicate what the community actually did.

Minimum citizen participation requirements are outlined below.

- 1) Notice of the public hearing must be published at least twice (on different days) in a newspaper of general circulation in the municipality. **(Submit with application)**
- 2) The first notice must be published no less than two weeks prior to the date of the public hearing.
- 3) Hold at least one public hearing to obtain a comment on the proposal. Hearings must be scheduled during a time when citizens are generally available to attend. Morning, early afternoon or weekend sessions are unacceptable.
- 4) Copies of the Notices must be included as part of the application submitted to DECD, along with an Affidavit of Publication from either the newspaper or the municipality's clerk.

In addition to the required notices, applicants must also make every effort to inform those who might not be reached through the newspaper notice that the public hearing is to be held. Such efforts might include the distribution of leaflets, notices to local organizations, clubs, and churches, and/or personal contact. These efforts should be especially in the neighborhoods affected by the proposed project.

CITIZEN PARTICIPATION PLAN

In addition to these requirements, Sec. 508 of the new Housing and Community Development Act of 1987 says that a grant under the CDBG program may be made only if the grantee certifies that it is following a written, detailed citizen participation plan which:

1. solicits input on local community development needs and proposed activities;
2. promotes public comment on the Proposed Application and Community Development activities;
3. provides special technical assistance to groups representative of LMH persons;
4. identifies the needs of non-English speaking residents;
5. provides for a timely appropriate and effective written answer to complaints and grievances;
6. provides citizens with reasonable and timely access to information, including the amount of funds available, and the eligible activities.

A written citizen participation plan that contains all of these components is required in your application. Also note that the required certifications are included in the "Local Assurances". The "Local Assurances" must also be submitted with your application.

SAMPLE

AFFIDAVIT OF PUBLICATION

I, _____, Clerk of the
(Name of Undersigned)

_____,
(Town or City)

DO HEREBY CERTIFY: The attached to be a true copy of a Notice of Public Hearing to be given on _____, 2010, as it appeared in news paper(s) of general circulation; and that the advertisement was inserted in the regular editions on dates as follows:

ATTEST:

(Clerk)

(SEAL)

Site & Building Report

DEVELOPMENT NAME:**APPLICANT:****SECTION 1 - GENERAL INFORMATION**

Site Name (if any): _____

Address: _____

Town/City: _____ State: _____ Zip: _____

Proposed Activity: _____**SECTION 2 - PROPERTY INFORMATION**

Present Owner: _____

Telephone Number: _____ Fein No #: _____ SSN (if individual): _____

Address: _____

Town/City: _____ State: _____ Zip: _____

Present Lessee: _____

Telephone Number: _____ Fein No #: _____ SSN (if individual): _____

Address: _____

Town/City: _____ State: _____ Zip: _____

Option Holder: _____

Telephone Number: _____ Fein No #: _____ SSN (if individual): _____

Address: _____

Town/City: _____ State: _____ Zip: _____

Acreage: _____ Shape: _____ Dimensions: _____ Frontage: _____

Size of Open Space: _____ Buildable Space Size: _____

Easements: _____ Liens: _____ R.O.W.: _____

Present Zoning: _____ Required Zoning: _____

Assessors Map: _____ Section: _____ Parcel: _____ Lot: _____

Adjacent Property Use _____

North: _____

South: _____

East: _____

West: _____

SECTION 3 – PROPERTY ASSESSMENT

For the chart below, check one box for each factor/condition

Site Conditions:

Conditions	Factors			
Access	<input type="checkbox"/> No Road	<input type="checkbox"/> Minor Road	<input type="checkbox"/> Major Road	<input type="checkbox"/> Highway
Agricultural Soils	<input type="checkbox"/> None	<input type="checkbox"/> Local	<input type="checkbox"/> State	<input type="checkbox"/> PRIME
Floodplain	<input type="checkbox"/> None	<input type="checkbox"/> 100 yrs	<input type="checkbox"/> 100-500yrs	<input type="checkbox"/> 500+yrs
Wetlands (swamps, marshes)	<input type="checkbox"/> None	<input type="checkbox"/> 1-25%	<input type="checkbox"/> 26-50%	<input type="checkbox"/> >50%
Slope - Family	<input type="checkbox"/> 0%	<input type="checkbox"/> 1 - 10%	<input type="checkbox"/> 11-15%	<input type="checkbox"/> >15%
Slope - Elderly	<input type="checkbox"/> 0%	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 6-10%	<input type="checkbox"/> >10%
Water Supply	<input type="checkbox"/> Watershed Protected	<input type="checkbox"/> Within 1000' of well	<input type="checkbox"/> Private Dense	<input type="checkbox"/> Wells Sparse
Access to Utilities - Public Water	<input type="checkbox"/> Not Available	<input type="checkbox"/> Within 500'	<input type="checkbox"/> Within 200'	<input type="checkbox"/> At Site
Access to Utilities - Sanitary Sewers	<input type="checkbox"/> Not Available	<input type="checkbox"/> Within 500'	<input type="checkbox"/> Within 200'	<input type="checkbox"/> At Site
Access to Utilities - Storm Sewers	<input type="checkbox"/> Not Available	<input type="checkbox"/> Within 500'	<input type="checkbox"/> Within 200'	<input type="checkbox"/> At Site
Access to Utilities Electric	<input type="checkbox"/> Not Available	<input type="checkbox"/> Within 500'	<input type="checkbox"/> Within 200'	<input type="checkbox"/> At Site
Access to Utilities Gas Line	<input type="checkbox"/> Not Available	<input type="checkbox"/> Within 500'	<input type="checkbox"/> Within 200'	<input type="checkbox"/> At Site

- Do ledge or rock outcroppings appear on the site? ☐ Yes ☐ No
- Does the municipality require underground utilities? ☐ Yes ☐ No
- Will utilities need to be brought to site? ☐ Yes ☐ No
- Will road(s) need to be provided for the project?
If "Yes, will it be a public or private road? ☐ Public ☐ Private
- Is the site located in a Historical District? ☐ Yes ☐ No

SECTION 4 - BUILDING INFORMATION

Total number of existing buildings on site: _____

Age of building(s) on site: _____

Building Type (check all that apply):

- ☐ Free Standing/Detached ☐ Townhouse ☐ Duplex ☐ Multi-Unit
☐ Semi-attached ☐ Walk-up ☐ Elevator ☐ Other

If Other, Describe _____

Number of stories: _____ Type of Construction: _____

What is the total square footage of the buildings: _____ t.s.f.

Residential: _____ s.f.

Commercial: _____ s.f.

Other: _____ s.f.

Are buildings currently occupied? ☐ Yes ☐ No

Describe: _____

If NO, how long has it been vacant? Months/Years: _____

Are any sites' structures of historical significance? (50 years or older) ☐ Yes ☐ No

If Yes, describe: _____

Has the federal, state, or local Historical Commission determined that the building has historical significance? ☐ Yes ☐ No

Has SHPO been notified of impending rehab? ☐ Yes ☐ No

SECTION 5 - BUILDING(S) ASSESSMENT

Indicate the age of the following conditions and check one box to describe its current condition. If there are multiple buildings, provide a chart for each building.

Existing Conditions	Age	Good	Fair	Poor
Roof		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Exterior		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interior		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Windows		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mechanical Systems		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Insulation		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electrical Systems		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floor		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Structural Systems		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SECTION 6 – SITE & BUILDING ENVIRONMENTAL INFORMATION

Attach a copy of the completed Phase I ESA for this property. ESA= Environmental Site Assessment

Did the Phase I ESA recommend a Phase II ESA? ☐ Yes ☐ No

If no, the Phase I ESA did not recommend a Phase II ESA, PROCEED TO SECTION 7.

If a Phase II ESA was recommended, has the Phase II ESA been done? ☐ Yes ☐ No

If yes, the recommended Phase II ESA has been done, attach a copy, PROCEED TO SECTION 7.

If no, the recommended Phase II ESA has not been done, PROCEED TO SECTION 7.

*If a Phase I ESA has not been done, a qualified professional must complete Section 6.

Has soil/water testing/investigations been done for the site? ☐ Yes ☐ No

Has hazardous material testing been done for the property/building? ☐ Yes ☐ No

What were/are the past and current uses of the property? (Check all that apply)

☐ Undeveloped ☐ Industrial ☐ Commercial ☐ Residential ☐ Other

Describe Uses: _____

What was the most recent business activity at the site? _____

Is Lead-based paint evident? ☐ Yes ☐ No

Are any potentially asbestos-containing materials evident? (Check all that apply)

☐ Sprayed-on fireproofing ☐ Pipe insulation wrap ☐ Ceiling tiles ☐ Floor tiles

☐ Acoustical plaster ☐ Other

Describe Other: _____

Are there now, or have there ever been, any underground or aboveground storage tanks on the property? ☐ Yes ☐ No

If "Yes" Describe: _____

Are there transformers or capacitors on the property, which may contain PCBs? ☐ Yes ☐ No

If "Yes" Describe: _____

Were any chemicals or fuels handled at the site? ☐ Yes ☐ No

If "Yes" Describe: _____

Are there any obvious physical signs of contamination on or around the property? (✓ all that apply)

☐ Stained soil or concrete ☐ Vegetation damage ☐ Foul or unusual odors ☐ Oily sheens or discoloration of surface water ☐ Other

Describe: _____

Are there groundwater wells on the property? ☐ Yes ☐ No

Is the groundwater in the immediate area used as a source of drinking water? ☐ Yes ☐ No

Are there any property (roads, pipelines) easements w/potential environmental implications

Is any environmental litigation, regulatory citations, or enforcement actions pending? ☐ Yes ☐ No

Are there any adverse press reports or complaints on file concerning the property ☐ Yes ☐ No

Is the property, or any of the adjacent properties, on a federal, state, or local list of hazardous waste or contaminated sites? ☐ Yes ☐ No

Could activities at adjacent businesses/properties pose potential environmental risks? ☐ Yes ☐ No

Is the property near any floodplain, wetland or sensitive ecological area? ☐ Yes ☐ No

A Phase I ESA is recommended for this property? ☐ Yes ☐ No

Qualified Professionals Names: (Print) _____ Title: _____

Signature: _____ Date: _____

Company Name: _____ Phone # _____

SECTION 7 – SUPPORTING DATA

The following materials and maps need to be attached to this document:

- Directions to the site from a major highway.
- An 8 1/2" x 11" section of the 1:24,000 scale U. S. Geological Survey map showing the proposed site.
- A 1" = 500" (min.) to 1" = 200' (max.) street map of approximately a 3/4 mile radius around the site with Public and Community Facilities located.
- A plot plan from the Assessor's office showing boundaries and dimensions, adjacent lots and streets.
- Evidence of existing zoning and eligible uses or applicable zoning regulations/ordinances.
- Information from the City or Town Engineer's office vis-a-vis grades, farmlands, sub-soils, ledge, flood plains, wetlands, topography, or other unusual site conditions,
- Soils and utility maps for the site.
- Boring or test pit reports made on the site or adjacent sites.
- Site and building (interior & exterior) photographs. Include a minimum of six for both interior and exterior.

SCREENING CRITERIA FOR DEVELOPMENT PROJECTS

PLANNING CONSISTENCY

- 1 Project is consistent with State C&D Plan (text and locational guide map)
- 2 Project is consistent with regional plan of conservation and development (if applicable)
- 3 Project is consistent with municipal plan of conservation and development and local zoning (if applicable)
- 4 Affected municipality has a current plan of conservation and development, in accordance with CGS § 8-23
- 5 Other

REGIONAL DEVELOPMENT EMPHASIS

- 1 Project entails inter-municipal collaborations, as authorized under CGS § 32-224(f) (per 2008 Supplement to CGS)
- 2 Project is supported by the affected Regional Planning Organization and the Metropolitan Planning Organization (if applicable)
- 3 Project is part of the Comprehensive Economic Development Strategy (CEDs) program
- 4 Other

SITE CHARACTERISTICS

- 1 Project avoids development of raw lands and emphasizes re-use and infill, especially within brownfield sites
- 2 Utility infrastructure with adequate capacity is either currently available or planned for site
- 3 Project avoids significant impacts to natural resources and critical habitat
- 4 Project avoids floodplains/flood zones
- 5 Project avoids negative impacts on historic and cultural resources
- 6 Other

TRANSIT-ORIENTED DEVELOPMENT¹ CHARACTERISTICS

- 1 Project location is accessible to existing or currently planned public transportation facilities
- 2 Project includes provisions to enhance multi-modal connections to public transportation facilities
- 3 Project promotes walkable communities
- 4 Other

MIXED-USE DEVELOPMENT

- 1 Project includes a variety of uses or provides a niche infill use to enhance pedestrian activity, especially between residential, commercial, and employment locations
- 2 Project promotes density at a scale that is appropriate for the type of community
- 3 Project entails architectural and design criteria that reflect desired community character
- 4 Project addresses potential need for local zoning modifications, such as an overlay zone, if proposed use(s) are currently not allowed
- 5 Project entails innovative parking management policies
- 6 Project provides affordable or workforce housing opportunities
- 7 Other

SUSTAINABLE CHARACTERISTICS

- 1 Project to use LEED² ASTM³, Green Globes⁴ or other comparable best management practices/standards for green building⁵
- 2 Project to use alternative energy (geothermal, solar, wind etc.)
- 3 Project to use Energy Star⁶ rated products
- 4 Project to incorporate water conservation techniques
- 5 Project promotes conservation of land and natural resources
- 6 Other

FINANCIAL AND DEVELOPMENT CRITERIA

- 1 Project cost considers lost opportunity cost due to land use conversion
- 2 Sources and Uses of funds identified.
- 3 Project is ready to proceed
- 4 With project phasing, each phase is independent and useable
- 5 Project leverages past public investments made in the community
- 6 Private funding sources are not overleveraged by state sources, i.e. acceptable ROI
- 7 Other

GENERAL CRITERIA

- 1 Alternative site consideration
- 2 Project proponent has established a municipal and public outreach effort to build community consensus
- 3 Other

Notes:

1. "Transit-oriented development" means the development of residential, commercial and employment centers within one-half mile or walking distance of public transportation facilities, including rail and bus rapid transit and services, that meet transit supportive standards for land uses, built environment densities and walkable environments, in order to facilitate and encourage the use of those services.
2. LEED (Leadership in Energy and Environmental Design) is a third-party certification program and a nationally accepted benchmark for the design, construction and operation of high performance green buildings. LEED gives building owners and operators the tools they need to have an immediate and measurable impact on their buildings' performance. LEED promotes a whole-building approach to sustainability by recognizing performance in five key areas of human and environmental health: sustainable site development, water savings, energy efficiency, materials selection and indoor environmental quality.
3. ASTM (American Society for Testing and Materials) now ASTM International, is one of the largest voluntary standards development organizations in the world and a trusted source for technical standards for materials, products, systems, and services. Known for their high technical quality and market relevancy, ASTM International standards have an important role in the information infrastructure that guides design, manufacturing and trade in the global economy. ASTM and CIC (Convention Industry Council) have set up a task force to develop industry-wide accepted practices to create and enhance efficiencies and sustainable practices.
4. Green Globes Fit-up is both a guide and an assessment protocol for the design of commercial interiors. Using a confidential questionnaire, the program generates an on-line report. Green Globes helps to integrate green design principles in a fit-up that will be energy and resource efficient, and will provide a healthier and more productive environment.
5. Green building is the practice of creating structures and using processes that are environmentally responsible and resource-efficient throughout a building's life-cycle from siting to design, construction, operation, maintenance, renovation and deconstruction. This practice expands and complements the classical building design concerns of economy, utility, durability, and comfort. Green building is also known as a sustainable or high performance building. The Environmental Protection Agency (EPA) has a number of programs that provide resources to help you learn more about the components of green building and how to incorporate these green building concepts into different types of buildings. (visit <http://www.epa.gov/greenbuilding/index.htm> for more information and guidance on green building practices).
6. EPA and U.S. Department of Energy's "Energy Star" program promotes products and practices to improve the energy efficiency of homes, buildings, and various building components and appliances.

INSTRUCTIONS FOR COMPLIANCE WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

Title VI of the Civil Rights Act of 1964 states:

"No person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

Section 1.4(b)(2)(i) of the regulations of the United States Department of Housing and Urban Development issued pursuant to Title VI requires that:

"A recipient, in determining the types of housing, accommodations, facilities,, services, financial aid, or other benefits which will be provided under any such program or activity, or the class of persons to whom, or the situations in which, such housing, accommodations, facilities, services, financial aid, or other benefits will be provided under any such program or activity, or the class of persons to be afforded an opportunity to participate in any such program or activity, may not, directly or through contractual or other arrangements, utilize criteria or methods of administration which have the effect of subjecting persons to discrimination because of their race, color, or national origin, or have the effect of defeating or substantially impairing accomplishment of the objectives of the program or activity as respect to persons of a particular race, color, or national origin."

As evidence of compliance with the above, the applicant shall provide the information as requested in a,b,c, and/or d below, as appropriate, to supplement the data relative to the locations of minority groups and proposed activities submitted as part of the application. Additional pages should be used, if necessary. If there are no minorities in the community, check here and disregard questions a through d.

- a. Identify the minority group(s) population, or portion thereof, residing in the applicant's jurisdiction that will not be served by one or more of the proposed activities.

- b. Explain whether the minority group population, or portion thereof, not serviced by the proposed activity(ies) already- receives such service. If so, define the extent of each of these existing services and indicate whether they are equal to, greater than or less than the proposed activity(ies) relative to the level of quality of services to be provided.

c. If the minority population, or portion thereof, does not receive such service(s) now and will not receive the benefit of the proposed activity(ies), indicate the approximate time such service(s) will be provided to such residents.

d. In the event future service(s) is planned for the minority group population, or portion thereof, provide a statement of the reasons why.

The phrase "minority group" as used here, refers to Portuguese, Black, not of Hispanic Origin; Hispanic (a person of Mexican, Puerto Rican, Cuban, Central American or other Spanish culture regardless of race); Asian or Pacific Islander; American Indian or Alaska Native. See "Definitions" in Section 1.

FAIR HOUSING PLAN GUIDELINES

FAIR HOUSING ACTION PLAN GUIDELINES AND IMPLEMENTATION STEPS TO ADDRESS IMPEDIMENTS IDENTIFIED AT THE LOCAL LEVEL

As a recipient of Federal funds you must certify that you will affirmatively further fair housing in your housing programs. In compliance with this certification, DECD requires the development of a Fair Housing Action Plan, which must be submitted with your application. The following guidelines must be used in the development of this Plan.

In this section are two documents you will need to develop your Fair Housing Action Plan. One is the Local Fair Housing Action Steps document, which list seven broad categories with specific action steps each that a local community can take to promote fair housing. A total of 35 action steps are listed. The other document is the Matrix for Local Fair Housing Action, which includes the Local Fair Housing Strategy Matrix. The action steps listed in the Local Fair Housing Action Steps document correspond to the numbers on the matrix.

Each action step to be taken by the Town must include the name of the person responsible for carrying out the action described and the time frame for completion. The necessary records must be maintained to substantiate your compliance with the actions taken.

The Fair Housing Action Plan must include:

1. An Affirmative Fair Housing Marketing Plan (form AA-5)

The AFHM Plan requires each applicant to carry out an affirmative program to attract prospective buyers or tenants of all majority and minority groups in the housing market area. The AFHM Plan must identify those groups of persons normally not likely to apply for the housing without special outreach efforts, because of existing neighborhood racial or ethnic patterns, location of housing in the Primary Metropolitan Statistical Area, price or other factor. It must include affirmative marketing strategies to inform members of these groups of the available housing and make them feel welcome to apply. Twenty percent (20%) of the total number of units to be constructed and/or rehabilitated must be targeted to the groups identified in the Plan as "least likely to apply". The Plan must include a commitment to provide fair housing training on an annual basis for the Fair Housing Officer.

The affirmative marketing strategies must be consistent with the requirements of the Department's Fair Housing Regulations and Affirmative Fair Housing Marketing and Selection Procedures Manual.

2. A Fair Housing Policy Statement

The Fair Housing Policy Statement must be consistent with the requirements of Section 8-37ee-311 of the Affirmative Fair Housing Marketing and Selection Procedures Manual. It must also include the name of the person assigned fair housing responsibilities.

3. A Discrimination Complaint Procedure

The Discrimination Complaint Procedure must provide for the expeditious resolution of complaints to ensure that legal options for filing complaints with enforcement agencies are not foreclosed.

This section must include a progress report on the number of complaints filed with the applicant, actions taken and the status of each complaint.

4. Tenant Selection Methodology

The Tenant Selection Methodology and the Affirmative Fair Housing Marketing Plan determine who shall have the opportunity to apply for state assisted housing and who shall ultimately be selected. The Tenant Selection Methodology must be consistent with the requirements of Sections 8-37ee-303, 304 and 305 of the Fair Housing Marketing and Selection Procedures Manual.

All applicants for housing funds must comply with the requirements stipulated in numbers 2 and 3, regardless of the number of units to be build and/or rehabilitated or housing activity. Applicants for the construction and/or rehabilitation of five or more units must comply with all requirements listed above.

5. Income Needed for Housing (INH) - Calculate as follows:

$$\text{INH} = (\% \text{ of ownership stock} \times \text{income needed to purchase median price home in town}) + (\% \text{ of rental stock} \times \text{income needed to rent at median rent})$$

Using the INH, identify your community as one of the following:

Limited Affordability Community: if INH is greater than 120% of the lower of State or regional median income;

Moderate Affordability Community: if INH is between 80% and 120% of the lower of State or regional median income; or

Substantial Affordability Community: if the INH is less than 80% of the lower of State or regional median income.

6. Community Classification

Based on the definitions provided in the Matrix for Local Fair Housing Action, classify your community as one of the following: Urban, First Tier suburb, Second Tier suburb or Rural.

The matrix provides a list of action steps for a community to select from in the development of its Fair Housing Plan.

7. Community Categorization

Based on the steps indicated in 5 and 6 above, categorize your community as one of the following fourteen categories: Urban-Limited Affordability Community, Urban-Moderate Affordability Community, Urban-Substantial Affordability Community, First Tier-Limited Affordability community, First Tier-Moderate Affordability Community, First Tier-Substantial Affordability Community, Second Tier-Limited Affordability Community, Second Tier-Moderate Affordability Community, Second Tier-Substantial Affordability Community, Rural-Limited Affordability Community, Rural-Moderate Affordability Community, Rural-Substantial Affordability Community.

8. Action Steps

Refer to numbers 5, 6 and 7 to complete this section.

Based on the category your community falls under in number 7, select for inclusion in your Fair Housing Action Plan a minimum of three (3) of the action steps listed in the Local Fair Housing Strategy Matrix.

The action steps selected in compliance with this section must be implemented within a period of three years, beginning with the date of contract execution.

Refer to the Local Fair Housing Action Steps document for a description of each numbered action step. From action steps one (1) through ten (10), you must select only one (1) action. The other two (2) must be selected from the remaining action steps.

Local Fair Housing Action Steps

The nature of a community obviously has an effect on the type of activities which can appropriately and effectively be employed to promote fair housing. Factors such as the town's current housing infrastructure, the size and expertise of the town's professional staff, access to transportation, and the relative affordability of the town's housing stock, all help determine what are realistic strategies for a town to pursue.

However, the types of steps that local communities can take to encourage equal housing choice generally fall into seven broad categories. These categories are listed below. Under each category is a list of specific actions which a community could take to encourage greater housing choice. The numbers on the list coincide with the numbers provided in the Local Fair Housing Strategy Matrix. By using the list of possible Action Steps and the Matrix a community can develop a fair housing strategy which includes several action steps appropriate for a town of its type.

Each of the seven categories is followed by a list of guidelines. The purpose of the guidelines is to provide you with specific activities you may select from to meet the objectives of the category.

Training

This category must describe the activities to be undertaken by the town to ensure and facilitate the training of the Fair Housing Officer, Town staff involved in housing related activities and the distribution of fair housing information.

1. Contract for direct training of town staff assigned to fair housing enforcement and complaint processing.
2. Identify appropriate training seminars for the town's fair housing and social services staff to attend.
3. Gather information from organizations and agencies involved with fair housing such as DECD, CHRO, HUD and private not-for-profits and distribute to all town staff which have direct contact with the public regarding housing, community development, social services or public safety matters.

Guidelines:

- Designate a Fair Housing Officer.
- Describe the responsibilities and authority of the Fair Housing Officer.
- Describe the Town's efforts to provide on an annual basis fair housing training to the Fair Housing Officer and other staff involved in housing related activities and social services.

- Describe how the Town will gather and distribute fair housing information to all its staff with direct contact with the public regarding housing, community development, social services or public safety matters.
- Other

Outreach

4. Conduct regular (at least once a year) fair housing seminars for community residents, landlords, real estate professionals and lenders.
5. Prepare and distribute materials which outline fair housing rights and responsibilities and the town's complaint and/or referral process
6. Identify and distribute fair housing materials prepared by other organizations to community residents, landlords, real estate professionals and lenders.

Guidelines

The outreach program should inform and educate the public about the Town's commitment to fair housing, the Town's Fair Housing Program, Federal and State fair housing laws and the public's rights under these laws.

- Conduct regular fair housing seminars for community residents, landlords, real estate professionals, lenders and Town's staff.
- Describe methods to be utilized by the Town to inform the public of its fair housing program, i.e., broadcasting Town's fair housing program and policy statement on local access TV, showing of the video "HUD Opens Doors," publication of news articles, educational symposia, duplicating existing fair housing printed materials for distribution, conducting outreach and providing information on fair housing through printed and electronic media, providing outreach to persons with disabilities and/or their support organizations and service providers, etc. Materials should be provided in languages other than English and in Braille if necessary.
- Describe materials to be distributed to the public regarding their fair housing rights under the Fair Housing Act and any substantially equivalent State and Local fair housing laws, in addition to the Town's complaint and referral process.
- Describe the tangible and measurable impact the outreach program is expected to have on the community in general and on any identified target area in particular.

- Describe the relationship of the proposed activities to other on-going or proposed efforts to improve the economic, social or living environment in a specific area.
- Describe the method to be utilized to educate the public about the procedure for filing claims with HUD.
- Describe outreach activities specific to homeownership designed to improve access to homeownership for racial/ethnic minorities by addressing multiple barriers to fair housing choice and educational and outreach aimed at reducing racial and other housing segregation.
- Describe method to disseminate educational information and provide technical assistance to support compliance with the housing adaptability and accessibility guidelines contained in the Fair Housing Amendment Act of 1988.
- Other

*Video is available by calling the Fair Housing Clearing House at 1-800-343-3442.

Complaint Processing and Monitoring

7. Assign a specific staff person to coordinate fair housing activities.
8. Develop a formal process for referring fair housing complaints to CHRO, HUD for investigation and follow-up.
9. Conduct initial fair housing investigation and conciliation services; and, make outside referrals when necessary.
10. Pass a local ordinance similar to federal fair housing laws. Then prepare and submit an application to HUD for substantial equivalency status and funding from HUD for administrative and operational costs of implementing a complaint resolution system.
11. Conduct testing and monitoring of local real estate agents, landlords and lenders.

Guidelines:

This category must describe the steps to be taken by the Town to address fair housing complaints and may include an application to HUD for substantial equivalency status and funding for administrative and operational cost of implementing a complaint resolution system.

- Develop and pass a fair housing law or ordinance that is substantially equivalent to the Fair Housing Act (Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendment Act of 1988).
- Designate a Fair Housing Officer and describe his/her responsibilities and authority.
- Develop an internal discrimination procedure to address fair housing complaints received by the Town for initial investigation. Establish a procedure for referring other complaints to CHRO, HUD and/or other equivalent agency.
- Describe actions to provide complaint investigation training to the Fair Housing Officer.
- Describe steps to be taken by the Town to prepare and submit an application to HUD for substantial equivalency status and funding for administrative and operational cost of implementing a complaint resolution system.
- Develop and/or participate in a testing program for real estate agents, landlords and lender.
- Develop and/or participate in a program to monitor real estate agents, landlords and lenders compliance with state and Federal fair housing laws.
- Other

Infrastructure Development

12. Review local building and zoning codes, removal of overly restrictive occupancy standards, family definitions, and density requirements.
13. Develop a formal procedure for inspecting and monitoring new construction and substantial rehabilitation for compliance with the fair housing laws, the Americans with Disabilities Act and related laws.
14. Strengthen the housing related infrastructure through improvements in community services, particularly schools and revitalization of blighted areas through economic development.

15. Expand access to mass transportation by developing van pools and ride sharing programs.
16. Promote inclusionary zoning through the expansion of multi-family zones.
17. Encourage the development of alternative ownership through models such as limited equity cooperatives, mutual housing, land trusts and/or turn-key projects.
18. Seek State and Federal funding for infrastructure development particularly water, sewer and road improvements.

Guidelines:

The objective of this category is to expand housing opportunities through the promotion of inclusionary zoning.

- Establish a committee to review local building and zoning codes for the identification of restrictive standards, followed by an Action Plan.
- Develop a plan to strengthen current community services, schools and improve blighted areas.
- Provide transportation programs (van pools, ride sharing) to improve access to jobs in other areas.
- Establish inclusionary zoning through the expansion of multi-family zones.
- Promote and encourage the development of alternative homeownership programs.
- Other

Local Financing of Housing

19. Donate town land for development of lower cost multi-family housing.
20. Create a local land trust to expand the supply of affordable homeownership options.
21. Support local not-for-profits and housing partnerships in their efforts to develop additional affordable housing.
22. Use the local housing authority as a vehicle for creation of affordable family rental housing.

23. Directly appropriate local funds for the development of lower housing cost, particularly family housing.
24. Create town funded first time homebuyer programs and affirmatively market to promote racial integration.
25. Create town funded first time homebuyer programs and affirmatively market to resident groups with low homeownership rates.
26. Access and utilize State and Federal funding for multi-family housing development.

Guidelines:

The objective of this category is for the Town to fund and support affordable rental housing, first-time homeownership programs and affirmatively market to promote racial integration to groups with low homeownership rates.

- Conduct a needs assessment to determine type(s) of program(s) needed.
- Provide a detail description of the type(s) of program(s) identified.
- Determine type of financial assistance needed to implement program(s) identified in the needs assessment.
- Contact local banks and community based organizations that may be interested in participating in such program(s). Consider other sources of funds such as the Connecticut Housing Finance Authority, the Federal Community Development Block Grant Program, the Federal HOME Program and the Federal Home Loan Bank Board Affordable Housing Program and local foundations.
- Describe steps to be taken by the Town to market the first-time homebuyer program(s) and/or affordable rental program to promote racial integration. Include steps to be taken to reach resident groups with low homeownership rates. Include local and regional media outlets.
- Other

Counseling and Other Services to Promote Diversity

27. Create or expand Section 8 and other mobility counseling programs.

28. Affirmatively market Section 8, RAP and other rental subsidy programs through dissemination of information to local landlords.
29. Conduct a local rent survey to determine if Section 8 exception rents are necessary in town.
30. Apply to HUD for Section 8 subsidies through the local housing authority.
31. Eliminate local residency preferences in subsidized housing within the town.

Guidelines:

The objective of this section is to promote racial integration through the use of the Section 8 Program and other rental assistance programs.

- Develop a mobility counseling program. The establishment of the program must be disseminated to the public.
- Provide mobility counseling to Section 8, RAP recipients and other low-income, inner-city families to facilitate and ensure their access to affordable housing and reduce the concentration of inner-city poverty.
- Provide transportation assistance program(s) to improve resident's access to jobs in other areas.
- Provide education, affirmative marketing strategies and outreach programs to landlords regarding the Section 8 and RAP Programs in an effort to increase the access to affordable housing opportunities for low-income and inner-city families throughout the metropolitan area.
- Develop and/or actively participate in in-place-based initiatives such as empowerment zones and traditional community development activities in an attempt to bring resources and opportunities to distressed areas.
- Develop affirmative marketing strategies for rental subsidy programs, landlords, housing authorities and tenants, with the elimination of local residency preferences.
- Develop strategies to affirmatively market the Section 8 and RAP programs.
- Other

Encouragement of Private Activity

32. Encourage local lenders to adopt "second look" policies before rejecting mortgage applications.
33. Conduct regular monitoring of banks' lending practices within the town.
34. Work with local landlords, real estate agents and lenders to develop affirmative marketing strategies which encourage applications from people least likely to apply, based on current town demographics.
35. Encourage area lenders to develop training and monitoring programs, including self-testing of lending practices.

Guidelines:

The objective of this section is to encourage lenders to adopt nontraditional strategies and engage in activities that foster the development of affordable housing.

- Encourage local lenders to adopt Second Look Policies. Work with local lenders to develop and/or adopt guidelines to be used to determine and improve the credit worthiness of nontraditional borrowers.
- Encourage and work with local lenders to establish and carry out nontraditional steps and/or activities in order to comply with their CRA responsibilities.
- Develop and implement policies to monitor banks' commitment to reinvest in the community.
- Work with local lenders in the development of an affirmative marketing program to disseminate information regarding their adoption of Second Look Policies.
- Work with local lenders in the development and dissemination of a training program, aimed at families that may be able to take advantage of favorable terms being offered to first-time homebuyers, to prepare them for the process of searching for a home and negotiating a purchase price.
- Work with local lenders in the development of training and monitoring programs for staff to ensure that the goals of the programs in this section are being carried out successfully.

This list does not include every fair housing activity that a community could, or should undertake. However, when used with the matrix below, it is a good starting point for increasing community awareness, ensuring that clear procedures exist for addressing fair housing complaints, expanding the types of housing choice within a

community, and generally providing all people with the opportunity to live in the community of their choice without discrimination.

Matrix for Local Fair Housing Action

Definitions

Urban

- ** Highly developed infrastructure for housing development (lights, sewers, roads, etc.) throughout the town.
- ** Substantial supply of rental housing units.
- ** Large percentage of town comprised of multi-family zones.
- ** Access to mass transportation throughout the town.
- ** Limited supply of undeveloped land.
- ** Full-time town staff with several people dedicated to housing, community development and/or social service functions.

1st Tier Suburb

- ** Well developed infrastructure for housing development (lights, sewers, roads, etc) throughout the town.
- ** Predominance of smaller lot single family housing zones.
- ** Several multi-family zones throughout town.
- ** Regular access to mass transportation on major streets.
- ** Full-time town staff with one or more people dedicated to housing, community development and/or social service functions.
These people may be within the Housing Authority.

2nd Tier Suburb

- ** Limited infrastructure for housing development (lights, sewers, roads, etc) may only be lacking in much of the town.
- ** Predominance of large lot single family housing zones.
- ** Few, if any, multi-family zones in the town.
- ** Limited access to mass transportation (limited hour commuter buses or van services only).

- ** Small municipal staff with housing, community development and/or social service functions shared.
- ** No local housing authority or one which provides limited services (i.e. elderly or Section 8 only).

Rural

- ** Extremely limited infrastructure for housing development. Most of the town lacks lights, sewers, roads, etc. ** Predominance of large lot single family housing zones.
- ** Few, if any, multi-family zones in the town.
- ** No regular service mass transportation services.
- ** Very small municipal staff, none are dedicated to housing, community development or social service functions.

Limited Affordability Community

Town where Income Needed for Housing is greater than 120% of the lower of State or regional median income.

Moderate Affordability Community

Town where Income Needed for Housing is between 80% and 120% of the lower of State or regional median income.

Substantial Affordability Community

Town where Income Needed for Housing is less than 80% of the lower of State or regional median income.

Income Needed for Housing

INH = (% of ownership stock X income needed to purchase median price home in town) + (% rental stock X income needed to rent at median rent).

LOCAL FAIR HOUSING STRATEGY MATRIX

	URBAN	FIRST TIER	SECOND TIER	RURAL
LIMITED AFFORDABILITY COMMUNITY	PRIMARY OBJECTIVES(S): INCREASE AFFORDABILITY POSSIBLE ACTION STEPS: 1, 2, 4, 5, 7, 10, 11, 12, 13, 14, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 33, 34	PRIMARY OBJECTIVE(S): INCREASE AFFORDABILITY; PROMOTE RENTAL POSSIBLE ACTION STEPS: 2, 3, 4, 5, 7, 9, 11, 12, 13, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31	PRIMARY OBJECTIVE(S): INCREASE AFFORDABILITY; PROMOTE RENTAL POSSIBLE ACTION STEPS 2, 3, 6, 7, 8, 12, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26, 28, 29, 30, 31, 32, 34	PRIMARY OBJECTIVE(S): INCREASE AFFORDABILITY; PROMOTE VARIETY IN STOCK POSSIBLE 3, 6, 7, 8, 12, 15, 17, 18, 19, 20, 21, 23, 24, 31, 32, 35
MODERATE AFFORDABILITY COMMUNITY	PRIMARY OBJECTIVES(S): INCREASE AFFORDABLE OWNERSHIP OPTIONS POSSIBLE ACTION STEPS: 1, 2, 4, 5, 7, 10, 11, 12, 13, 14, 21, 23, 24, 25, 27, 32, 33, 34, 35	PRIMARY OBJECTIVE(S): AFFIRMATIVE MARKETING POSSIBLE ACTION STEPS: 2, 4, 5, 6, 7, 9, 11, 12, 13, 14, 21, 22, 23, 25, 26, 28, 29, 30, 31, 34	PRIMARY OBJECTIVE(S): AFFIRMATIVE MARKETING POSSIBLE ACTION STEPS: 2, 3, 6, 7, 8, 12, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26, 28, 29, 30, 31, 32, 34	PRIMARY OBJECTIVE(S): INCRREASE AFFORDABLE OWNERSHIP OPTIONS; ADDRESS TRANSPORTATION NEEDS POSSIBLE ACTION STEPS: 3, 6, 7, 8, 12, 15, 17, 18, 19, 20, 21, 24, 31, 32
SUBSTANTIAL AFFORDABILITY COMMUNITY	PRIMARY OBJECTIVE(S): PROMOTE OWNERSHIP POSSIBLE ACTION STEPS: 1, 2, 4, 5, 7, 10, 11, 12, 13, 14, 21, 23, 24, 25, 27, 32, 33, 34, 35	PRIMARY OBJECTIVE(S): MAINTAIN VARIETY IN HOUSING STOCK; AFFIRMATIVE MARKETING POSSIBLE ACTION STEPS: 2, 4, 5, 6, 7, 9, 11, 12, 13, 14, 21, 22, 23, 25, 26, 28, 30, 31, 34	PRIMARY OBJEDCTIVE(S): INCREASE RENTAL; AFFIRAMTIVE MARKETING POSSIBLE ACTION STEPS: 2, 3, 6, 7, 8, 12, 15, 16, 18, 19, 21, 22, 23, 24, 26, 28, 30, 31, 34	PRIMARY OBJECTIVE(S): PROMOTE OWNERSHIP: ADDRESS TRANSPORTATION NEEDS POSSIBLE ACTION STEPS: 3, 6, 7, 8, 12, 15, 17, 18, 19, 20, 21, 24, 31, 32, 33, 34, 35

PROGRAM INCOME REUSE PLAN

Program Income (PI) is defined as gross income received by a recipient (or subrecipient) that has been directly generated from the use of CDBG funds, and includes the following:

- Payments of principal and interest (including late fees) on loans made using CDBG funds. For any loan that was partially funded with CDBG funds, PI is only the prorated portion of the income that reflects the actual percentage of CDBG participation. For example, if a loan was made with 50 percent local funds and 50 percent CDBG funds and a \$100 payment is received, \$50 would be CDBG PI.
- All interest earned on PI.
- Net proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG funds.
- Gross income from the use or rental of real or personal property acquired by the unit of general local government or a subrecipient of a unit of general local government with CDBG funds; less the costs incidental to the generation of the income;
- Gross income from the use or rental of real property owned by the unit of general local government or a subrecipient of a unit of general local government, that was constructed or improved with CDBG funds; less the costs incidental to the generation of the income;

What is Not Considered Program Income?

- If total Program Revenue (PR) from all CDBG activities is less than \$25,000 for an entire PY, this is considered "Miscellaneous Revenue" ("MR"). MR may be spent on any local activity, not just CDBG-eligible activities. However, the jurisdiction must still complete and submit the Quarterly Reports and Annual Program Income Reports, if the jurisdiction could potentially receive any Program Income (PI).
- PI does not include interest earned on open grant advances from the Department. Any interest earned on grant advances must be forwarded to the Department.
- Revenue from 1992 CDBG grants, or earlier, may not be PI if there has been a subsequent gap between open grants. Jurisdictions must provide documentation of such funding gaps and receive written approval from the Department before ceasing to report the revenue from such pre-1993 grants. PI generated from 1993 or later grants, regardless of gaps between open grants, continue to be defined as PI.
- Unspent CDBG loan/grant funds (for example, if a grantee made a \$40,000 loan to rehabilitate a dwelling but the final cost to rehabilitate the dwelling was \$35,000, the \$5,000 difference would reduce the \$40,000 loan to \$35,000 and the \$5,000 would be returned to the grantee loan pool as unspent funds, not program income.)
- Amounts generated by activities eligible under section 105(a)(15) of the Act carried out by a nonprofit entity under the authority of section (1)(15) of the Act, with the prior approval of the Department of Economic & Community Development (DECD) or its successor department.

WHAT SHOULD BE DONE WITH PROGRAM INCOME AT THE END OF THE PROGRAM YEAR (JUNE 30)?

Program Income (PI) retained by the jurisdiction must be substantially expended by the end of the Program Year (PY). A jurisdiction cannot accumulate excessive amounts of PI, accordingly, this department will consider a **PI balance of \$50,000 or less at the end of the PY to be substantially expended.**

Program Income Reuse Plan

If you choose to retain Program Income (PI) locally (instead of sending it to the State), then you must prepare and submit with your application for a CDBG grant a PI Reuse Plan for local and Department approval. The PI Reuse Plan may be amended at anytime. A sample PI Reuse Plan is included as Chapter 9 of the Grant Management Manual.

A PI Reuse Plan governs the jurisdiction's ongoing use of PI. The PI Reuse Plan identifies all proposed uses of the PI and commits the jurisdiction to comply with all CDBG program requirements. The PI Reuse Plan substitutes for an ongoing contract with the Department. The Department closes out its grants to local governments upon satisfactory completion of the terms and conditions of the grant agreement. However, Federal statute requires the Department to track PI beyond the closeout of the grant that generated the PI. To that end, the PI Reuse Plan satisfies the Federal requirement that local governments obtain advance State approval of a local plan governing PI.

The proposed reuses of the PI are disclosed in the PI Reuse Plan and a public hearing is held to allow for meaningful local citizen comments about the plan, prior to its adoption by the local governing body. For each identified Revolving Loan Account (RLA), the PI Reuse Plan must specify all revolving and non-revolving uses of funds, e.g., general administration, any grants, or any activity delivery costs. Only such costs that are associated with the specific activity of the RLA may be charged to the RLA.

Program Income is income earned by the grantee from the use of CDBG funds. Program income can be:

1. Payments of principal and interest on loans made with CDBG funds;
2. Proceeds from the leases or sale of real property acquired with CDBG funds;
3. Interest earned on CDBG funds held in a revolving loan account; and
4. Interest earned on Program Income pending disposition of such Income.

Program Income must be used for the same activity from which it was derived. All CDBG regulations apply to its use and are guided by 24 CFR 570 and by the Assistance Agreement with the State. DECD is requiring all towns to assure the Department of Economic and Community Development that their Program Income will be consistent with these requirements.

To ensure compliance with these requirements, a Program Income Plan must be submitted with each application. At a minimum, your Program Income Plan must:

- Identify which of your proposed activities could potentially produce program income.
- Total program income expected to be earned from each activity.
- The schedule for generation of program income.
- Proposed use of program income, including a description of how the use will comply with national objectives and eligibility criteria.

The Program Income Plan will be reviewed for compliance with these guidelines.



REHABILITATION GUIDELINES

Rehabilitation is an eligible activity under several types of projects (residential rehabilitation, neighborhood or commercial revitalization, elimination of slums and blight and economic development). The most important considerations have to do with 1) special requirements under residential rehabilitation, 2) the issue of how benefit to low and moderate income people is measured under each type of activity and 3) how an appropriate program and set of rehabilitation guidelines may be designed for a given target area.

Under residential rehabilitation, for example, no building may be done unless a majority of the units are occupied after rehabilitation by low or moderate income people at affordable rents. A two-unit structure may now be done as long as at least one of the units is occupied after rehabilitation by low/moderate income persons. An agreement must be obtained from the owner that the benefit (i.e., affordable rents) will remain in place for at least five years from the date of completion of the work, or, in the case of vacant units, from the time of rent-up. Buildings should be selected with the above criteria in mind.

Facades and the commercial portion of mixed-use structures must be counted either as indirect area-wide benefit (under commercial or neighborhood revitalization), or done under elimination of slum and blight, unless the owners are of low or moderate income or if some direct employment of low and moderate income people results. No funds may be counted toward low and moderate income benefit if they are used for an activity that is carried out solely for the elimination of slum or blight or to meet community development needs having a particular urgency (discretionary grants

If proposed rehabilitation is extensive, contact DECD staff for guidelines distinguishing it from new construction, which is largely an ineligible activity.

The restriction against new construction has been somewhat eased by the new 1987 federal legislation. Substantial reconstruction can now be funded as long as (a) the need for such could not be determined until rehabilitation had begun or (b) where the reconstruction is part of a neighborhood rehabilitation effort, the grantee must determine that the housing is not suitable for rehabilitation as well as demonstrate that the cost of substantial reconstruction will be less than the cost of new construction and less than the fair market value of the property after substantial rehabilitation.



Reconstruction became explicitly eligible for CDBG assistance as a result of a legislative change under Section 225 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104-234, enacted April 26, 1996). This change [in Section 105(a)(4) of the Housing and Community Development Act of 1974 as amended] broadens grant recipients' ability to use CDBG funds for "reconstruction" of properties. While the HCDA does not define the term "reconstruction," for CDBG purposes, it is generally defined as meaning the rebuilding of a structure on the same site in substantially the same manner. Deviations from the original design are permitted for reasons of safety or if otherwise impractical. The structure to be reconstructed may be residential or nonresidential, and either publicly or privately owned. A reconstructed unit need not contain the same number of rooms as the unit it replaces. States are cautioned that reconstruction that involves increasing the number of housing units on a site may constitute new housing construction. However, there could be situations in which a single-unit structure could be reconstructed as a multi-unit structure, such as to allow existing residents to comply with local housing standards on occupancy standards. (Note that any decrease in the number of units on a site may require compliance with the one-for-one replacement of L/M income dwelling units at 24 CFR Part 42, Subpart C.) Reconstruction of residential structures would also permit replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing.

It is essential that considerable planning be done in advance in regard to program design and rehabilitation guidelines, and proposals should concretely reflect this -- not only to realistically anticipate costs and the numbers eligible to benefit but also to ensure a program that is appropriately designed for the housing stock and residents characteristic of a given target area. A survey should be done of buildings, code problems, owners and tenants, to give a clear idea of what work is needed, what structures are eligible, what priorities will be set, what level of rehabilitation may be done while keeping rents affordable, whether owners and/or tenants are potentially eligible and interested in participating, etc. A target area of single-family elderly owner-occupants, for example, will require a different approach than one of larger multi-family investor-owned units or mixed use. A blighted area may require certain types of work to eliminate safety hazards and eyesores.

The type of financial assistance offered likewise should be appropriately designed and targeted. There are advantages and disadvantages associated with both loans and grants. A revolving loan program makes the money go farther and may benefit more people, but a program of grants or deferred loans may be more appropriate for lower income residents or elderly on fixed incomes. Some towns use a combined approach for flexibility, particularly if the target area contains a mix of buildings, applicants and problems, in order to ensure the best approach to each. DECD staff has resources available to assist with this prior to application.

It is also important to anticipate any potential displacement, as a Displacement Plan for the entire municipality then becomes a requirement. Relocation must be carried out under Federal Relocation Regulations (copies available from DECD) and relocation and temporary shelter costs paid for displaced residents, businesses, organizations, or farm operations. This can become very costly and needs to be anticipated in the proposed budget. Temporary relocation may be unavoidable if certain types of rehabilitation are needed; but permanent relocation is to be avoided.

In summary, each applicant should submit well thought out rehabilitation guidelines as part of its application. These guidelines should include a rationale for why its proposed program design is appropriate for the target neighborhoods chosen.



EXHIBITS

HANDBOOK EXHIBITS

Citizen Participation requirement for hearing

Citizen Participation Plan

Affidavit of Publication

Certified Resolution

Local Assurances

Cooperation Agreement **

Title VI Compliance

Fair Housing Plan Guidelines

Application Certification

Request for Release of Funds

Program Income Plan, as applicable

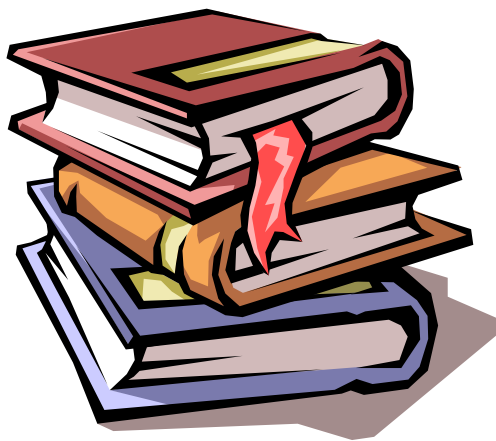
Certification of Compliance with the Requirements of 24 CFR 570.606

Residential Anti-displacement and Relocation Assistance Plan (24 CFR 42.325)

Rehabilitation Guidelines, as applicable

Armstrong/Walker "Excessive Force" Certification

**The Joint Cooperation Agreement is only required if it is a multi-jurisdictional application.



CERTIFIED RESOLUTION

The governing body of the municipality must pass a resolution allowing the town to apply for a grant, as well as authorizing the chief elected/executive officer to act as the municipality's authorized representative.

GUIDEFORM FOR CERTIFIED RESOLUTION OF APPLICANT

SMALL CITIES PROGRAM

Certified a true copy of a resolution adopted by the (Name of Municipality) at a meeting of its (Name of Governing Body) on (Date) and which has not been rescinded or modified in any way whatsoever.

(Clerk)

(Date) _____

(SEAL)

WHEREAS, Federal monies are available under the Connecticut Small Cities Community Development Block Grant Program, administered by the State of Connecticut, Department of Economic and Community Development pursuant to Public Law 93 -3 83, as amended; and,

WHEREAS, pursuant to Chapter 127c, and Part VI of Chapter 130 of the Connecticut General Statutes, the Commissioner of Economic and Community Development is authorized to disburse such Federal monies to local municipalities; and,

WHEREAS, it is desirable and in the public interest that the (Name of Municipality) make application to the State for \$_____ in order to undertake a Small Cities Community Development Program and to execute an Assistance Agreement therefore, should one be offered.

NOW, THEREFORE, BE IT RESOLVED BY THE (Governing Body of the Municipality):

1. That it is cognizant of the conditions and prerequisites for State Assistance imposed by Part VI of Chapter 130 of The Connecticut General Statutes; and,
2. That the filing of an application by the (Name of Municipality) in an amount not to exceed \$_____ is hereby approved, and that the (Title of Chief Executive Officer of Municipality) is hereby authorized and directed to file such application with the Commissioner of the Department of Economic and Community Development, to provide such additional information, to execute such other documents as may be required by the Commissioner, to execute an Assistance Agreement with the State of Connecticut for State financial assistance if such an Agreement is offered, to execute any amendments, rescissions, and revisions thereto, and to act as the authorized representative of the (Name of Municipality).

LOCAL ASSURANCES

The Local Assurances must be signed by the person authorized in the certified resolution. These assurances guarantee that the applicant will comply with all federal requirements if they receive a grant.

LOCAL ASSURANCES

The applicant hereby assures and certifies that:

- (a) It possesses the legal authority to apply for the grant, and to execute the proposed program.
- (b) Its governing body has duly adopted or passed as an official act, a resolution, motion or similar action authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act as the connection with the application and to provide such additional information as may be required.
- (c) It has submitted, for comment, a copy of its application to its Regional Planning Agency.
- (d) It is following a detailed citizen participation plan that:
 - (1) provides for and encourages citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blighted areas and of areas in which funds are proposed to be used;
 - (2) provides citizens with reasonable and timely access to local meetings, information, and records relating to the state's and the municipality's proposed method of distribution, as required by regulations of the Secretary, and relating to the actual use of funds under Title I of the Housing and Community Development Act of 1974, as amended;
 - (3) provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;
 - (4) provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodations for the handicapped;
 - (5) provides for a timely written answer to complaints and grievances, within 15 days where practicable; and
 - (6) identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate and has in a timely manner:

- (7) furnished citizens information concerning the amount of funds available for proposed community development and housing activities and the range of activities that may be undertaken, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income and the plans of the municipality for minimizing displacement of persons as a result of activities assisted with such funds and to assist persons actually displaced as a result of such activities;
 - (8) published a proposed application in such manner to afford citizens an opportunity to examine its content and to submit comments on the proposed activities and on the community development plan of the municipality;
 - (9) held one or more public hearings to obtain the views of citizens on community development and housing needs;
 - (10) made the final application available to the public.
- (e) It has developed a community development plan that identifies community development needs and specifies both short and long term community development objectives that have been developed in accordance with the primary objective and requirements of Title I of the Housing and Community Development Act of 1974, as amended.
 - (f) It will provide access to records on past use of Small Cities Community Development Block Grant funds.
 - (g) The Small Cities Community Development Project has been developed so as to give maximum feasible priority to activities which will benefit low and moderate income families or aid in the prevention or elimination of slums or blight. (This certification will not preclude the municipality from submitting application where the applicant certifies and the Commissioner of Economic and Community Development determines, that all or part of the Small Cities Community Development Activities are designed to meet other community development needs having a particular urgency as specifically explained in the application.)
 - (h) It will comply with:
 - (1) Title VI of the Civil Rights Act of 1964 (P. L. 88-352), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no persons in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits.

- (2) Title VIII of the Civil Rights Act of 1968 (P. L. 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing; and will take action to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services.
- (3) Section 109 of the Housing and Community Development Act of 1974, which provides that no person in the United States shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, or be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds provided under this part.
- (4) Executive Order 11063 which provides that no person shall on the basis of race, color, religion, sex or national origin be discriminated against in the sale or rental of housing built with Federal assistance, and will take affirmative steps to further fair housing.
- (5) Executive Order 11246, and the regulations issued pursuant (24 CFR Part 130 and 41 CFR Chapter 60), which provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal or federally assisted construction contracts. Contractors and subcontractors on Federal and federally assisted construction contracts shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship.
- (6) It will comply with the requirements of Connecticut Executive Order No. Three of Governor Thomas J. Meskill which states that a State contract can be canceled, terminated or suspended by the State Labor Commissioner if the Labor Commissioner determines that contract provisions concerning nondiscrimination have not been complied with.
- (7) It will comply with the requirements of Connecticut Executive Order No. Seventeen of Governor Thomas J. Meskill which states that a State contract can be canceled, terminated or suspended by the State Labor Commissioner or the Commissioner of Housing if an agency assisted through the contract fails to list all employment opportunities with the Connecticut State Employment Service.
- (8) It will comply with the requirements of the Age Discrimination Act of 1975, as amended, which provides that no person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of age under any program or activity receiving Federal funds.
- (9) It will comply with the Rehabilitation Act of 1973, Section 504 as amended, which provides that no otherwise qualified individual shall, solely by reason of his or her handicap be:

- Excluded from participation (including employment)
- Denied program benefits
- Subjected to discrimination under any program or activity receiving Federal funds.

(10) It will comply with the requirements of the Armstrong/Walker "Excessive Force" Amendment (P.L. 101-144) as found in Section 519 of the Department of Veteran Affairs and Housing and Urban Development, and Independent Agencies Appropriation- Act of 1990, which provides that law enforcement agencies within its jurisdiction will prohibit the use of excessive force against any individuals engaged in nonviolent civil rights demonstrations.

- (i) It will require that, to the greatest extent feasible, opportunities for training and employment be given to lower-income residents of the project area, and contract for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing in the area of the project by adopting a Plan in accordance with Section 3 of the Housing and Urban Development Act of 1968.
- (j) It is following a residential antidisplacement and relocation assistance plan and that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as required under 570.496a(a) and HUD implementing regulations at 24 CFR 42; the requirements in 570.496a(b) governing the residential antidisplacement and relocation assistance plan under section 104(d) of the Housing and Community Development Act of 1974; the relocation requirements of 570.496a(c) governing displacement subject to section 104(k) of the Act; and the relocation requirements of 570.496a(d) governing optional relocation assistance under section 105(a)(11) of the Act.
 - (1) It will comply with the other provisions of the Act and with other applicable laws.
- (k) It will comply with Section 110 of the Housing and Community Development Act and the regulations issued pursuant to 24 CFR, Part 570, Section 570.496 (c), regarding the payment of prevailing wage rates.
- (l) It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with the requirements of 24 CFR, and Section 104(f) of Title I of the Housing and Community Development Act.
- (m) It will comply with Section 121 of Title I of the Housing and Community Development Act by:
 - (1) Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR, Part 800.8) by the proposed activity, and

- (2) complying with all requirements established by the Connecticut Department of Economic and Community Development to avoid or mitigate adverse effects upon such properties.
- (n) It will not attempt to recover any capital costs of public improvements assisted in whole or in part with Community Development Block Grant funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:
 - (1) CDBG funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such improvement that are financed from revenue sources other than Title I funds or;
 - (2) for purposes assessing any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low-income, the municipality certifies to DECD that it lacks sufficient Title I funds to comply with the requirements of clause (1).
- (o) It will comply with the requirements of the State of Connecticut Lead-Based Statute (Public Act 87-394) which prohibits the use of lead-based paint in residential structures and governs the removal of lead based paint in all residential structures in Connecticut.
- (p) It will comply with all other provisions of the Housing and Community Development Act of 1987 and with other applicable laws and statutes.

Date _____, 20____

AUTHORIZED SIGNATURE & TITLE

FOR JOINT COMMUNITY APPLICATION **COOPERATION AGREEMENT**

CONNECTICUT SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

This agreement entered into on the _____ day of _____, 20____ by
and between _____ and _____.

WITNESSETH:

WHEREAS, _____ (has, have) identified need in the
municipality(ies) (to provide decent housing and related conditions) (to expand
economic opportunities) (to correct serious deficiencies in community facilities), and

WHEREAS, _____ contemplates submitting (on behalf of) (jointly
with) _____ an application for (single purpose, comprehensive) Block
Grant funds under the Small Cities Program of the Connecticut Department of
Economic and Community Development for the purpose of meeting such needs, and

WHEREAS, _____ and _____ understand that
_____ will act as the applicant and will have the ultimate responsibility to
assume all obligations under terms of the grant including assuring compliance with all
applicable laws and program regulations and performance of all work in accordance
with the contract.

WHEREAS, it is understood that _____ and DECD have access to all
participants' community development block grant records and authority to monitor all activities.

NOW, THEREFORE, pursuant _____ and
_____ agree to cooperate in the submission of an application
for such Block Grant Funds, and agree to cooperate in implementation of the submitted
Small Cities Program, as approved by the Department of Economic and Community
Development.

Nothing contained in this agreement shall deprive any municipality of any power or zoning, development control or other lawful authority which it presently possesses.

ADOPTED on this _____ day of _____, 20 _____.

ATTEST: _____
(Clerk)

The above Cooperation Agreement has been authorized by the governing body of _____ Connecticut, dated _____.

On behalf of _____:

(Name, Title)

(SEAL)

REPEATED FOR EACH PARTY TO THE AGREEMENT

CERTIFICATION BY APPLICANT

It is hereby represented by the applicant (undersigned) as an inducement to the Department of Economic and Community Development to consider the financial assistance requested herein, that to the best of my knowledge and belief no information or data contained in the application or in the attachments are in any way false or incorrect, that no material information has been omitted, including the financial statements and that the document has been duly authorized by the governing body of the applicant and the applicant will comply with all program requirements for any approved activity. The applicant agrees that banks, credit agencies, the Connecticut Department of Labor, the Connecticut Department of Revenue Services, the Connecticut Department of Environmental Protection, and other references are hereby authorized now, or any time in the future, to give the Department of Economic and Community Development any and all information in connection with matters referred to in this application. In addition, the applicant agrees that any funds that may be provided pursuant to this application will be utilized exclusively for the purposes represented in the application, as may be amended.

Certifying Representative:

1. Type Name and Title: _____
2. Signature: _____
3. Date: _____

CERTIFICATION OF COMPLIANCE WITH THE REQUIREMENTS OF 24 CFR 570.606 AND THE RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN

Grantees must certify that they will comply with the requirements of 24 CFR 570.606 with respect to displacement, relocation, acquisition, and replacement of housing. Grantees must also adopt, make public, and certify that they are following a Residential Antidisplacement and Relocation Assistance Plan.

A Guideform for complying with these requirements follows:

STATE OF CONNECTICUT
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
SMALL CITIES PROGRAM
GUIDEFORM

Certification of Compliance with the Requirements of 24 CFR 570.606 and the Residential AntiDisplacement and Relocation Assistance Plan Required by 24 CFR 42.325

This is to certify that the _____ will comply with the requirements of 24 CFR 570.606 with respect to the displacement, relocation, acquisition, and replacement of housing. The _____ will take the following actions to comply with these requirements:

Minimizing Displacement

Consistent with the goals and objectives of 24 CFR part 570, the _____ will take the following steps to minimize displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of activities assisted under that part:

(To be completed by the Grantee)

- 1) _____
- 2) _____
- 3) _____

The _____ will review all projects funded by its CDBG grant for potential displacement impact.

If a potential displacement impact is identified, the _____ will provide adequate funds and resources either through CDBG funds or other means to meet the requirements of 49 CFR, part 24 (URA) or 24 CFR, part 42 (Section 104 (d), as applicable. The provisions of 49 CFR, part 24 (URA) and 24 CFR, part 42 (Section 104 (d)) are further described and clarified in HUD Handbook 1378.

The _____ will maintain written documentation detailing its review of all projects undertaken with CDBG funds with respect to displacement and/or relocation and will set forth the reason for its determinations in accordance with this Plan.

The _____ will ensure that the initial rent charged for a unit that is rehabilitated with CDBG funds is limited to an amount that will prevent the tenant's monthly cost for rent and utilities from exceeding the greater of:

1. The tenant's monthly rent and estimated average monthly utility costs before the rehabilitation, or
2. Thirty percent (30%) of the tenant's average monthly gross household income.

The initial rent charged after the rehabilitation is completed must be limited to this amount for at least one (1) year or the end of the lease term, whichever is greater.

The _____ will also ensure that the rent charged for a unit that is rehabilitated with CDBG funds is limited to the appropriate Fair Market Rent (minus any applicable utility allowance) for at least five (5) years after the completion of rehabilitation.

These requirements will be incorporated into a written agreement between the owner of the residential rehabilitation units and the _____. The agreement will contain penalties for noncompliance.

Relocation Assistance for Displaced Persons

The _____ will provide relocation assistance to displaced persons in accordance with the provisions of 49 CFR, part 24 (URA) or 24 CFR, part 42 (Section 104 (d)), as applicable. The provisions of 24 CFR, part 42 (Section 104 (d)) apply only to the displacement of any lower income person as a direct result of the demolition of any housing unit or the conversion of occupied or vacant occupiable low/moderate-income housing to a use other than low/moderate-income housing. A lower income person who qualifies under 24 CFR, part 42 (Section 104 (d)) may choose to receive relocation assistance at either the URA or Section 104 (d) levels. The provisions of 49 CFR, part 24 (URA) and 24 CFR, part 42 (Section 104 (d)) are further described and clarified in HUD Handbook 1378.

One-for One Replacement of Lower-Income Dwelling Units

The _____ will replace all occupied and vacant occupiable lower-income dwelling units demolished or converted to a use other than lower-income housing as a direct result of activities assisted with funds provided under the Housing and Community of 1974, as amended, as described in 24 CFR 42.375.

The replacement units must initially be made available for occupancy at any time during the period beginning 1 year before the recipient makes public the information required below and ending 3 years after the commencement of the demolition or rehabilitation related to the conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the _____ will make public and submit in writing to the Department of Economic and Community Development the following information:

- 1) A description of the proposed assisted activity;
- 2) The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than lower-income dwelling units as a direct result of the assisted activity;
- 3) A time schedule for the commencement and completion of the demolition or conversion;
- 4) The location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units. If such data are not available at the time of the general submission, the submission shall identify the general location on an area map and the approximate number of dwelling units by size, and information identifying the specific location and number of dwelling units by size shall be submitted and disclosed to the public as soon as it is available;
- 5) The source of funding and a time schedule for the provision of replacement dwelling units;
- 6) The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and
- 7) Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units) is consistent with the housing needs of lower-income households in the municipality's jurisdiction.

(Signature of Authorized Official)

(Title of Authorized Official)

(Date)

ARMSTRONG/WALKER "EXCESSIVE FORCE" CERTIFICATION

Program recipients are required to certify to the State that they have adopted and will enforce a policy to prohibit the use of excessive force by law enforcement agencies in their jurisdiction against any individuals engaged in nonviolent civil rights demonstrations. The legislative history of the provision indicates that it may be satisfied by any means that will stand a practicable test of use. The policy may be adopted by a local legislative act, such as an ordinance, or by a local administrative act, such as a written statement of policy by the local chief executive, an executive order, or regulation within the police department. The general local government need not adopt a new policy if it has and is enforcing a written policy that meets the requirements of Section 519.

A guideform for certification of compliance with the Armstrong/Walker "Excessive Force" Amendment (P.L. 101-144) as found in Section 519 of the Department of Veteran Affairs and Housing and Urban Development, and Independent Agencies Appropriation Act of 1990 follows.

**ARMSTRONG/WALKER "EXCESSIVE FORCE" CERTIFICATION
GUIDEFORM**

The TOWN/CITY of _____ has adopted and will enforce a policy to prohibit the use of excessive force by law enforcement agencies within its jurisdiction. That policy prohibits the use of excessive force against any individuals engaged in nonviolent civil rights demonstrations.

Therefore, I certify that the above mentioned policy:

- will stand a practicable test of use;
- will be available for review by the Department of Economic and Community Development;
- will be enforced by the TOWN/CITY of _____; and
- is in compliance with the ARMSTRONG/WALKER "Excessive Force" Amendment (P.L. 101-144).

Signature

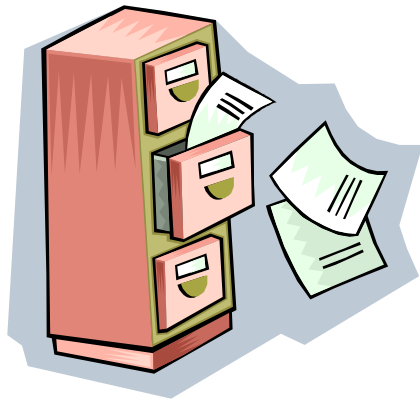
Date

Name and Title of Chief
Executive Officer

Appendix C

General Information Notice

This is a guide form for the General Information Notice (G.I.N.) which is used to inform tenants of their rights under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as awarded.



Appendix 2

GUIDEFORM GENERAL INFORMATION NOTICE -- RESIDENTIAL TENANT
THAT WILL NOT BE DISPLACED

Grantee or Agency Letterhead

(date)

Dear _____:

On __ (date) __, __ (property owner) __ submitted an application to the (Grantee) __ for financial assistance to rehabilitate the building which you occupy at __ (address) ____.

This notice is to inform you that, if the assistance is provided and the building is rehabilitated, you will not be displaced. Therefore, we urge you not to move anywhere at this time. (If you do elect to move for reasons of your choice, you will not be provided relocation assistance.)

If the application is approved and Federal assistance is provided for the rehabilitation, you will be able to lease and occupy your present apartment (or another suitable, decent, safe and sanitary apartment in the same building) upon completion of the rehabilitation. Of course, you must comply with standard lease terms and conditions.

After the rehabilitation, your initial rent, including the estimated average monthly utility costs, will not exceed the greater of (a) your current rent/average utility costs, or (b) 30 percent of your average monthly gross household income. If you must move temporarily so that the rehabilitation can be completed, suitable housing will be made available to you for the temporary period, and you will be reimbursed for all reasonable extra expenses, including all moving costs and any increase in housing costs.

Again, we urge you not to move. If the project is approved, you can be sure that we will make every effort to accommodate your needs. Because Federal assistance would be involved, you would be protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

This letter is important and should be retained. You will be contacted soon. In the meantime, if you have any questions about our plans, please contact _____ (name) _____, _____ (title) _____, at _____ (phone) _____ (address)

Sincerely,

(name and title) _____

NOTES.

1. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery.
2. This is a guideform. It should be revised to reflect the circumstances.

GUIDEFORM GENERAL INFORMATION NOTICE
RESIDENTIAL TENANT TO BE DISPLACED

Grantee or Agency Letterhead

(date)

Dear _____:

The City of _____, is interested in acquiring the property you occupy at _____ (address) _____ for the _____ (project) _____. This notice is to inform you of your rights under Federal law. If the City acquires the property and you are displaced for the project, you will be eligible for relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. However, do not move now. This is not a notice to vacate the premises. You should continue to pay your monthly rent to your landlord because a failure to pay rent and meet your other obligations as a tenant may be cause for eviction and loss of relocation assistance. You are urged not to move or sign any agreement to purchase or lease a new unit before receiving formal notice of your eligibility for relocation assistance. If you move or are evicted before receiving such notice, you may not receive any assistance. Please contact us before you make any moving plans.

If the City acquires the property and you are eligible for relocation assistance, you will be given advisory services, including referrals to replacement housing, and at least 90 days advance written notice of the date you will be required to move. You would also receive a payment for moving expenses and may be eligible for financial assistance to help you rent or buy a replacement house. This assistance is more fully explained in the enclosed brochure, "Relocation Assistance to Tenants Displaced from Their Homes."

If for any reason any other persons move into this unit with you after this notice, your assistance may be reduced. If you have any questions, please contact _____ (name) _____, _____ (title) _____, at _____ (phone) _____, _____ (address) _____.

Again, this is not a notice to vacate and does not establish eligibility for relocation payments or other relocation assistance. If the City decides not to purchase the property, you will be notified in writing.

Sincerely,

(name and title) _____

Enclosure

NOTES.

1. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery.
2. This is a guideform. It should be revised to reflect the circumstances.